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GOVERNMENT AND ADMINISTRATION

Prorogation and Opening of Parliament

THE QUEEN'S PROROGATION SPEECH

The Queen's speech on the prorogation of Parliament summarising the work of the session was delivered to both Houses of Parliament by the Lord Chancellor, Lord Elwyn-Jones, on 22 November, and read to members of the Commons by the Speaker (*Hansard*, cols 1936-40). The text of the speech, with references to *Survey of Current Affairs* coverage in parentheses, is as follows:

My Lords and Members of the House of Commons:

It was with great pleasure that My husband and I visited Finland (see p 245); *the United States of America* (see pp 313-14), *where we welcomed the opportunity to join the people of the United States in the celebration of their bicentennial anniversary; Canada, where I opened the Olympic Games* (see p 314); *and recently Luxembourg* (see p 469). *We were very pleased to welcome President Geisel of Brazil* (see pp 244-5) *and President Giscard d'Estaing of France* (see pp 273-4) *on state visits to this country.*

My Government welcomed the independence of Seychelles and their decision to join the Commonwealth (see pp 280-1).

My Government have participated throughout the year in international efforts to promote a more just world economic order (see pp 18-21).

My Government have continued to make their contribution to the development of détente *between East and West* (see pp 58, 382), *and to work for the improvement of bilateral relations and economic co-operation with the Soviet Union and other countries of Eastern Europe* (see pp 157-8, 388-9). *My Government have worked for force reductions in Central Europe and the prevention of the spread of nuclear weapons* (see p 146). *They have tabled a draft convention in Geneva on the prohibition of chemical weapons.*

My Government have continued their efforts to promote a negotiated settlement in Rhodesia based on acceptance of early transition to majority rule (see pp 386-7).

My Armed Forces and the Royal Ulster Constabulary continue to perform with distinction their difficult and dangerous task in Northern Ireland. Steps have been taken to strengthen the role of the police and their effectiveness in maintaining the rule of law (see p 309), *and to make the Parliamentary procedures for the government of Northern Ireland more effective. The Fair Employment Act has been passed, which promotes equality of opportunity in employment for people of different religious beliefs* (see p 379); *a Northern Ireland Development Agency has been set up; and the law on industrial relations has been brought more closely into line with that of Great Britain.*

My Government have continued to co-operate with the Government of the Republic of Ireland on security, and reciprocal legislation in both countries has been brought into effect to deal with fugitive offenders (see p 309). . . .

My Government continued to give priority to reducing inflation. Following the success of the £6 pay policy, they agreed with the Trades Union Congress a further round of voluntary pay restraint (see pp 246-7, 282-3). *The Price Code was amended to encourage the expansion of industrial investment and of employment* (see pp 330-1). *Grants were made for the setting up of more consumer advice centres and for providing consumers with information about prices* (see p 360, 1975 and p 486).

My Government have been deeply concerned about the high level of unemployment which we in common with most other countries have experienced; practical measures designed to alleviate the situation and to help meet the need for skilled manpower have been taken (see pp 409-10, 1975 and pp 28-30, 113-15, 205, 247, 333-4, 413).

Legislation was enacted to remove unsatisfactory features of the Industrial Relations Act 1971 (see pp 27-9, 495, 1975 and pp 76-7, 145).

My Government have sought to stimulate industrial regeneration (see pp 73-5, 329-30), *through the development of an industrial strategy with the close involvement of both sides of industry, through the work of the National Enterprise Board* (see pp 168-9, 354-6) *and the Scottish, Welsh and Northern Ireland Development Agencies* (see p 487, 1975), *and by initiating discussion of planning agreements with major companies* (see p 487, 1975).

Legislation has been passed to reconstitute the National Dock Labour Board and to make further provision for regulating the allocation and performance of the work of cargo-handling (see pp 123-5).

Legislation has been passed to meet the United Kingdom's obligations under the International Energy Programme and European Economic Community obligations on energy supply and use; to control energy supplies in a domestic energy

emergency; and to regulate the use of energy for the purposes of conservation (see pp 294-5).

The British National Oil Corporation has been established (see p 201, 1975 and pp 120-1) *and has taken over the National Coal Board's Continental Shelf assets and purchased substantial interests in Burmah's North Sea holdings, including shares in the Ninian and Thistle oil fields. Participation agreements have been concluded with the Gulf, Conoco, Tricentrol and Ranger oil companies. Negotiations with other companies are proceeding.*

My Government have continued to foster the development of our offshore petroleum resources. Following a recent invitation, 53 applications have been received and are now being considered for further licences for the exploration and development of offshore oil and gas, in which majority State participation will be a precondition (see pp 255-6, 370, 442).

Acts have been passed to improve the law relating to companies and to insolvency.

My Government have published a White Paper and a Supplementary Statement setting out their detailed proposals for the establishment of Scottish and Welsh Assemblies (see pp 467-70, 1975 and pp 235, 351-2).

My Government have continued to work for improvements in the operation of the common agricultural policy (see pp 170-1, 237-8, 276, 316-17).

Legislation for England and Wales has been passed to strengthen the legal safeguards for farm tenants and their families, and to end the tied cottage system in agriculture.

My Ministers have placed special emphasis on areas of acute housing need in the public expenditure programme, and have continued to encourage new building for owner occupation.

Legislation has been passed to facilitate the transfer of housing from New Town Development Corporations and the Commission for the New Towns to elected local authorities in England and Wales (see pp 184-5).

An Act has been passed to give water authorities in England and Wales more effective powers to deal with drought (see p 359).

In pursuance of My Government's comprehensive policy for development land, legislation for a development land tax was enacted (see pp 103-4, 1975 and p 186).

Provision has been made for increases in social security benefits and war pensions (see pp 224-7); *and new cash benefits have been introduced to help disabled people* (see p 246, 1975 and pp 371, 409). *Provision has also been made for the child benefit scheme to start on 4 April 1977* (see p 409).

An Act has been passed to secure the progressive withdrawal from National Health Service hospitals of facilities for private medical and dental practice and to control development of large private hospitals (see pp 221-2). *A Royal Commission has been established to consider the best use and management of the resources of the National Health Service in the interests of the patients and those who work in it* (see p 449, 1975 and p 95).

Legislation has been passed under which Local Education Authorities in England and Wales may be required to submit proposals to abolish selection in secondary education (see pp 87-8).

My Government have announced their intention to establish a Committee to inquire into the role and functioning of financial institutions in the United Kingdom (see p 446), *and have published proposals for strengthening and extending the system for supervision of banks and other deposit taking institutions* (see pp 356-8). *Acts were passed to transform the Trustee Savings Bank, to widen their banking services* (see p 145) *and to extend the facilities provided by the National Giro* (see pp 171, 495, 1975 and p 144).

The law on racial discrimination has been strengthened (see pp 183-4).

An Act has been passed providing for the establishment of a Police Complaints Board to introduce an independent element into the procedure for handling complaints by members of the public against the police in England and Wales (see pp 38-9).

A measure was passed to repeal and re-enact with amendments the provisions of the Prevention of Terrorism (Temporary Provisions) Act 1974 (see pp 471-2, 1975).

An Act has been passed to improve the law relating to bail in England and Wales (see p 181).

Royal Commissions have been established to inquire into the provision of legal services (see p 100). *In the meantime, My Government have continued their support for the provision of legal services to those who need them most.*

Further progress has been made with the reform of the law and the improvement of the Statute Book by consolidation and the repeal of obsolete enactments (see, for example, p 271).

Acts have been passed to reform and improve the law of Scotland (see p 271), *including the law relating to liquor licensing, crofting tenure, freshwater fisheries, education and fatal accident inquiries.*

An Act has been passed to give greater impetus to the measures already being taken to stimulate the social and economic development of rural Wales (see p 260). . . .

OPENING OF PARLIAMENT

The Queen's speech on the opening of the new session of Parliament – the third session of the forty-seventh Parliament of the United Kingdom – was delivered by the Queen on 24 November to members of both Houses in the House of Lords (*Hansard*, cols 1-7). The text of the speech, which outlines the Government's policies and programme for the coming session, was as follows:

My Lords and Members of the House of Commons:

My husband and I look forward to the events being prepared to mark the twenty-fifth anniversary of My accession to the throne. We welcome the opportunities which these will offer for meeting people in many parts of the United Kingdom and the Commonwealth during the tours which we shall undertake.

My Government will maintain their firm support for the United Nations and the principles of its Charter, and for the North Atlantic Alliance as the guarantee of the collective security of its members

and of stability between East and West. They have invited the North Atlantic Council to hold its spring ministerial meeting in London.

My Government look forward to a renewal of fruitful exchanges on world problems at the meeting of Commonwealth heads of Government in London.

My Government will continue to take part in international efforts to promote a more stable world economic order, and a fairer distribution, within an expanding world economy, of the world's wealth between rich and poor nations. Overseas aid will continue to give increasing emphasis to the needs of the poorest developing countries.

My Government will continue to play a full part in the activities and development of the European Communities, and look forward to holding the Presidency of the Council of Ministers in the first six months of 1977.

My Government will introduce legislation to provide for the election of United Kingdom members of the European Assembly.

My Government will continue to contribute modern and effective forces to the North Atlantic Treaty Organisation.

My Ministers will continue to attach great importance to the further improvement of relations between East and West and to the full implementation of the Final Act of the Conference on Security and Co-operation in Europe. They will work closely with their allies in seeking progress in the negotiations to reduce forces in central Europe, and towards general disarmament and the prevention of the spread of nuclear weapons.

My Government will also continue to work for a just and lasting peace in the Middle East and for further improvement in the relations between the United Kingdom and all the countries of the region. They will maintain their efforts to secure a political settlement in Cyprus.

My Government will continue to work for a negotiated settlement in Rhodesia which will provide a secure future on the basis of majority rule for people of all races in the territory.

My Government will continue to strive for a just solution to the problems of Northern Ireland and for the improvement of economic and social conditions. They are determined to combat terrorism and to maintain the rule of law. Legislative provision will be made to introduce an independent element into consideration of complaints against the police on lines already adopted in England and Wales.

My Government attach particular importance to the further development of co-operation on security with the Government of the Republic of Ireland. . . .

My Government are pledged and determined to continue the attack on inflation, working to this end in close conjunction with the Trades Union Congress and the Confederation of British Industry. Success in this joint effort is essential for creating more jobs and for achieving the aim, to which my Government remain firmly committed, of a lasting reduction in the present level of unemployment.

My Ministers are convinced that the key to a better economic future for the British people lies in improved levels of industrial output and productivity, a higher level of industrial investment, and being more competitive, thus securing a greater share of world markets. They will pursue these objectives through continued development of the industrial strategy in co-operation with both sides of industry. This will give the highest priority to the physical and financial needs of manufacturing industry on which our standards of living depend. The National Enterprise Board, the Scottish, Welsh and Northern Ireland Development Agencies, and the planning agreements system, provide essential instruments for this industrial regeneration. The achievement of our national objectives will be possible only if the interrelated problems of inflation, unemployment and industrial performance are tackled successfully.

My Government will continue to co-operate with other countries in their efforts to maintain an orderly and sustained growth in world economic activity. They intend to ratify the second amendment to the Articles of Agreement of the International Monetary Fund and the sixth general review of quotas.

My Government will reintroduce the Bill to bring into public ownership the aircraft and guided weapons, shipbuilding, ship-repairing and marine engine building industries.

Further opportunities for the exploration and development of the nation's valuable petroleum resources will arise from the grant of further licences following the very satisfactory response to the recent round of offshore licensing.

Legislation will be introduced to provide for the addition to the employers' national insurance contribution and to give effect to other measures which were announced in July.

My Government will continue to encourage the expansion of home food production in the interests of consumers, processors and producers, and will seek further improvements in the operation of the common agricultural policy. Legislation will be laid before you for the purpose of enabling the United Kingdom to extend fishing limits to 200 miles at the beginning of 1977. My Government are seeking adaptation of the common fisheries policy to new circumstances. They will aim to secure conditions in which the British fishing industry can plan ahead and make its proper contribution to the food supplies and economy of the nation.

My Government attach great importance to strengthening the democratic processes of our society. A Bill will be introduced for the establishment of Assemblies to give the Scottish and Welsh people direct and wide-ranging responsibilities for their domestic affairs within the economic and political framework of the United Kingdom.

Legislative proposals for the extension of industrial democracy in the private and public sectors of the economy will be brought forward as soon as possible after the Committee on Industrial Democracy has reported and the necessary consultations have taken place.

Legislation will be introduced to give effect to the job release scheme, and My Government will not hesitate to add as necessary to this and other manpower measures already introduced for the reduction of unemployment. They will continue to promote the development of industrial training.

My Government will pay special attention to the maintenance and improvement of performance in education, and will seek to ensure that the resources available are deployed in the best interest both of extending educational opportunity and of satisfying

the productive needs of the nation.

My Ministers will also pay special attention to housing and the needs of inner city areas. Proposals arising from My Government's review of housing policy will be brought before you.

It will remain My Government's aim to promote good working relationships within the National Health Service and to make the best use of the resources available to the service for the benefit of patients and with due concern for the aspirations of those who work in it.

There will be an annual increase in pensions and other social security benefits in order to protect the living standards of the most vulnerable members of the community.

My Government will continue to attach high priority to safeguarding the interests of consumers.

A Bill will be introduced to restrict the payment of unemployment benefit for certain occupational pensioners, to determine the level of earnings at which retirement pension is affected, and to adjust the national insurance scheme in certain other respects.

My Government, following their widespread consultations on transport, will bring before you proposals for developing a transport policy best suited to economic and social needs.

Legislation will be introduced to remove unnecessary restrictions on the powers of the local authorities to undertake construction work by direct labour.

Legislation will be introduced to provide for greater equality in average charges for unmeasured water supply between different water authorities in England and Wales. Proposals will be brought before you for strengthening the national organisation of the water industry.

A Bill will be introduced to amend the criminal law, particularly in relation to conspiracy, and to improve its administration.

A Bill will be introduced to provide a comprehensive reform of patent law and enable ratification of international agreements, including the European Patent Convention.

My Government will continue their programme of law reform as opportunity permits.

Measures will be introduced relating to Scotland, including housing subsidies, reform of the law on marriage, and the introduction of an independent element in the procedure for handling complaints against the police.

In all their policies for social reform it will remain My Government's aim to promote justice and equality for all the people of the United Kingdom.

Other measures will be laid before you . . . .

By-election Result

The Conservative Party retained the seat at Cambridge in a by-election on 2 December with a majority of 9,625. The new member, Mr Robert Rhodes James, takes over the seat from Mr David Lane, recently appointed chairman of the Race Relations Board.

The result of the by-election means that the strength of the parties in the House of Commons remains as on p 419.

The number of votes cast for each candidate was as follows:

R. Rhodes James (Conservative)	19,620
M. Smith (Labour)	9,995
M. O'Loughlin (Liberal)	7,051
J. Sharpe (Independent)	711
J. Wotherspoon (National Front)	700
P. Sargent (Science Fiction Looney)	374

The percentage of the electorate voting in the by-election was 49·1.

The Queen's Silver Jubilee

The Queen has approved the institution of a silver medal, to be known as the 'Queen's Silver Jubilee Medal', to commemorate the twenty-fifth anniversary of her accession in 1977. It will be struck for issue 'as a personal award from the Queen to members of the Crown Services and to others in the United Kingdom and other Commonwealth countries'.

Those selected for the award will receive the medal on or about 8 June 1977.

The medal, designed by Mr David Wynne, shows a crowned effigy of the Queen on the front and the inscription 'The 25th year of the reign of Queen Elizabeth II, 6 February 1977' surmounted by the crown and by a wreath of silver birch foliage and catkins on the back. The ribbon will be red, white and blue.

The medal will be classified as official and will be worn on formal occasions on which decorations are in order. It is likely to be awarded to people engaged in industry, trade, the arts, entertainment, sports, journalism, local services and voluntary work.

The silver jubilee will also be marked by an appeal to be launched by the Prince of Wales on 24 April 1977. A programme of events, sports and entertainments throughout the year will raise money to be used, by the Queen's own wish, to enable young people to help others by giving them greater opportunity to serve the communities in which they live.

Other events to mark the silver jubilee include royal visits in Britain and overseas, and naval and air force reviews. Details of events connected with the jubilee celebrations are contained in the *Diary of Coming Events* issued by the Reference Division of the COI.

Northern Ireland

Recent developments related to Northern Ireland include a speech by the Secretary of State for Northern Ireland on Government policy for the Province; a speech by the Minister of State on industrial relations and productivity; the disbanding

of the Economic Council; the publication of a discussion document on economic and industrial strategy; the bringing into force of the Fair Employment (Northern Ireland) Act 1976 and other legislation concerning employment; and the introduction of new measures to alleviate housing problems.

GOVERNMENT POLICY

A restatement of Government policy on Northern Ireland was made in a speech to journalists at Stormont Castle on 26 November by Mr Roy Mason, the Secretary of State for Northern Ireland. In his opening remarks Mr Mason said that ingrained beliefs in Northern Ireland were being questioned and traditional attitudes were beginning to change. There was a 'whirlpool of political thoughts and ideas' which had three distinguishing features. First, there was an increasing determination of ordinary men and women to reject violence as a means of settling differences and advancing political causes. Secondly there was a growing recognition among people that it was in Northern Ireland itself that a solution to the problems must be worked out and that this solution must be of a kind which enabled everyone to share a Northern Ireland identity. Thirdly, there had been signs of a greater willingness of the opposing factions to talk over the problems together and to seek common ground. There had been a 'reconnaissance' between the Social Democratic and Labour Party and the Official Unionists. It was out of such discussions that trust and understanding could emerge.

Mr Mason emphasised that the aim of the Government was the return of devolved Government in a form which was stable and durable and which commanded the support of the vast majority of the population. The principle of devolution was one thing on which all political parties in Northern Ireland agreed and it accorded with the natural instincts of the large proportion of the public in Northern Ireland – and throughout the United Kingdom. The Government's policy was to create the conditions in which a stable and durable devolved Government would become possible. Agreement could not be imposed on the people of Northern Ireland nor could they be forced to come to agreement among themselves. The Government could encourage the politicians to talk over their problems with each other and to respond to shifts in public opinion and could make it clear that it would lend a ready ear to anything they wanted to say as their exchanges and discussions moved forward.

The public were increasingly showing their will to achieve reconciliation and their desire for peace and stability. Even the 'unreal discussions of independence'[1] were an indication of the wish to re-establish the identity and the Unity of Ulster. But the people looked to the politicians in Northern Ireland for leadership. Mr Mason said he believed the time was ripe for devolution. There was a 'strong tide flowing' with the discussions over Scotland and Wales; it would be a pity if Northern Ireland should now lag behind Scotland and Wales. There was, moreover, the present under-representation of Northern Ireland at Westminster. A constitutional settlement would open the way for change there. If all parties showed their commitment to devolution by demonstrating their desire to participate with others in a new system of devolved government the Government would not be slow to respond. The aim for Northern Ireland should be the creation of a society where elections were about economic or social problems and not on sectarian issues, a society to which all the inhabitants of Northern Ireland felt that they belonged and within which each individual believed that he enjoyed similar status and influence to his neighbour, irrespective of his religion or origin.

Until devolution, this is what direct rule would seek to provide, continued Mr Mason. Direct rule might not be the ideal form of government for Northern Ireland but it was workable and could be sustained. Direct rule could also be improved, said Mr Mason, and full use would be made of existing Northern Ireland institutions. He looked forward to a reconstituted and more effective Economic Council (see below) and was considering how best to involve district councils on a wider range of consultations.

Rumours of impending withdrawal, whether of the army or of economic resources, had no foundation, stressed Mr Mason. Northern Ireland was part of the United Kingdom and would remain so unless a majority of the population decided otherwise in a referendum. As for the army, they would be reduced in numbers only as they were no longer needed to help the police in the maintenance of law and order.

INDUSTRIAL RELATIONS AND PRODUCTIVITY

The good record of industrial relations in Northern Ireland and the fact that gains in productivity have been higher than in the rest of the United Kingdom were referred to in a speech by Mr Don Concannon, Minister of State in the Northern Ireland Office, at Leicester on 24 November. He said that absenteeism was lower than in the United Kingdom as a whole and that over the past two years days lost per 1,000 employees through industrial action averaged 377 per year, which was 200 fewer than the figure for the United Kingdom as a whole. This showed that the determination of both management and trade unions to keep community tensions off the factory floor had been highly successful. Throughout the period of civil disturbance Northern Ireland had had higher gains in productivity than elsewhere in the United Kingdom. Between 1969 and 1975 productivity in industry increased by 27 per cent and industrial output by 12 per cent – figures which compare favourably with the United Kingdom as a whole.

[1] A discussion document setting out a plan for an independent Ulster was published on 11 November by the Ulster Loyalist Central Co-ordinating Committee, an umbrella organisation which includes Protestant paramilitary groups, and the subject was also discussed at a three-day conference held in mid-November which was attended by academics, journalists, politicians, community workers and others.

ECONOMIC COUNCIL

In October the Northern Ireland Economic Council, which was set up in 1964 as a non-statutory advisory body to make recommendations on economic development in the Province, was disbanded. The council, which sat under the chairmanship of the Secretary of State for Northern Ireland, had been made up of representatives from both sides of industry, together with independent members. A working party has been established to make proposals for a new council.

ECONOMIC AND INDUSTRIAL STRATEGY

The report of a wide-ranging review of the Northern Ireland economy, carried out at the request of the Secretary of State (see p 143) by a team of senior civil servants led by Dr George Quigley, Permanent Secretary in the Department of Commerce, was published on 15 October (*Economic and Industrial Strategy for Northern Ireland: Report by Review Team 1976,* Belfast HMSO, £2·60, ISBN 0 337 23211 3). In a preface the Secretary of State says the report would form a valuable basis for discussion of the way forward on the economic and industrial front in both the short and long term. Northern Ireland's economic problems were so severe as to call for a stocktaking which could provide the material for answers to a number of pressing questions. The Province's economic problems were not merely cyclical; they also reflected long-term structural weaknesses resulting in persistently severe unemployment. The report examines the main features of the economy and considers various measures for preserving and promoting employment. It also examines regional inequalities within the Province, considers how relevant education should be to unemployment, and discusses self-help and links with the European Community.

EMPLOYMENT

Legislation passed during the year concerning employment matters has recently been brought into effect. The measures are: the Industrial Relations (NI) Order 1976 (*Hansard,* 10.6.76, cols 1809-49) which took effect, with some limited exceptions, on 1 October; and the Fair Employment (NI) Act 1976 (*Hansard,* 16.2.76, cols 989-1068) which took effect on 1 December. The Sex Discrimination (NI) Order 1976 (see p 310) also became law on 1 December.

Industrial Relations (NI) Order

The Order introduces arrangements which are broadly similar to those already in force in Great Britain. Its main provisions are: statutory protection for employees; increases in the minimum periods of notice of termination of employment required by the Contracts of Employment and Redundancy Payments Act (NI) 1965; new requirements for the handling of redundancies; and the establishment of the Labour Relations Agency, an independent body with general duties to promote the improvement of industrial relations and to encourage the extension of collective bargaining.

Fair Employment (NI) Act

The purpose of the Act is to promote equal opportunity in employment for persons of different religious beliefs. It makes unlawful religious and political discrimination in employment, discriminatory advertising, or inducing a person to discriminate in employment on religious or political grounds. The Fair Employment Agency has been set up under the Act with responsibility for reviewing and investigating employment practices in order to identify those which do not afford equal opportunities. It has powers to have defective practices remedied by voluntary agreement or, if necessary, by issuing legally enforceable directions. Persons claiming unlawful discrimination are entitled to complain to the agency which investigates and seeks redress. The Act extends to both public and private sectors and covers employers, trade unions, employers' associations, employment agencies, training bodies and bodies confirming qualifications.

HOUSING LEGISLATION

A series of measures designed to alleviate Northern Ireland's housing problems were brought into force on 10 November under the Housing (Northern Ireland) Order 1976. They broadly resemble those already introduced in Great Britain under the Housing Act 1974 (see pp 183-4, 1974). Moving the approval of the Order in the House of Commons (*Hansard,* 26.10.76, cols 368-430), Mr Ray Carter, Parliamentary Under-Secretary of State for Northern Ireland, said that high priority must be given to a programme of improvement and rehabilitation, with the preservation of established communities, in which the standard of existing houses and the environmental quality of neighbourhoods is raised, particularly in the inner parts of Belfast. (The total housing stock numbers almost 460,000 dwellings, of which 40 per cent are considered to be in need of repair and improvement. Some 25,000 houses have been damaged in civil disturbances, many of which are left unoccupied.)

The Order introduces a series of new grants to encourage the repair and improvement of older houses, seeks to encourage housing associations to play a greater role in housing and introduces the 'housing action area' concept by means of which the Northern Ireland Housing Executive may designate areas in which programmes for improving living conditions generally may be carried out over a five-year period. The Order also gives the Housing Executive powers to deal with unoccupied houses, including those standing empty as a result of the civil disturbances.

Official Information

Proposals to liberalise the practice relating to official information have been put forward by the Prime Minister and the Home Secretary. They involve the replacement of section 2 of the Official Secrets Act 1911 with less restrictive legislation and the pub-

lication of more background information on policy issues.

Official Secrets Act

Criminal law relating to the disclosure of official information would apply under the Government's proposals only in cases where serious harm to the nation's interests was threatened and in a limited number of other specified areas. In a statement to the House of Commons (*Hansard*, 22.11.76, cols 1878-81), the Home Secretary, Mr Merlyn Rees, said that section 2 of the Official Secrets Act 1911 had for some time been regarded as 'too broad in its scope' and would be replaced as soon as practicable by a new Official Information Act.

The operation of section 2 of the 1911 Act was investigated by a Home Office Committee, under the chairmanship of Lord Franks, which, in its report of September 1972 (see pp 404-5, 1972), considered that the section obscured 'the important distinction between espionage and leakage' and recommended that criminal sanctions should be strictly limited in their application.

Section 2 created a considerable number of offences with extensive ramifications for both State officials and private citizens. Under it, unauthorised disclosure by a Crown servant (including all ministers, civil servants, members of the armed forces and police officers) of any information learnt in the course of his job is a criminal offence. All information is covered, whatever its nature, importance, or original source. Other provisions make it an offence to receive information communicated in contravention of the official secrets legislation, whether or not any use is made of it.

Referring to the recommendations of the Franks Committee, Mr Rees said that a clear distinction ought to be drawn between home and economic policy on the one hand and security and intelligence, defence and international relations on the other. 'The unauthorised disclosure of any official information is wrong because it is unauthorised', said Mr Rees. 'But in the domestic area it will generally result in embarrassment to the Government of the day and not in any serious damage to the national interest. In the fields of security and intelligence, defence and international relations, on the other hand, such damage may well result.'

Criminal sanctions in the economic sphere, as recommended by the Franks Committee, were therefore not justified, nor in the case of the release of Cabinet documents irrespective of their content and classification. Most Cabinet and Cabinet Committee documents dealt with domestic affairs, and their protection was a matter basically of 'trust and good sense among colleagues'.[1] 'They should be protected by criminal sanctions only when, by their content and security classification, they fell into one of the other categories so protected.'

The Government agreed that information dealing with law and order, the confidences of private citizens and disclosure for private gain should, however, come within the ambit of the criminal law. Moreover, information relating to security and intelligence matters deserved the highest protection, whether or not it was classified. The Government proposed that this should form a separate category.

Mr Rees reminded MPs that the Franks Committee had recommended that confidential information relating to military weapons and equipment should be specially classified 'Defence – Confidential' and protected by criminal sanctions. 'The Government have concluded that confidential information of a sensitive and potentially damaging kind goes rather wider than this in both the defence and international fields. It extends to certain areas of defence policy and strategy and of international relations where unauthorised disclosure would be prejudicial to British interests, to relations with a foreign government or to the safety of British citizens.' The Government proposed therefore to extend the Franks Committee's recommended classification to 'Defence and International – Confidential' and to define it somewhat more widely.

The Home Secretary concluded: 'The Government believe that their conclusion represents a system more liberal than that proposed by the Franks Committee, but one which secures the highest degree of protection for information the disclosure of which may cause serious harm to the interests of the nation.'

Background Information

The Government has also announced its intention to publish more background material on which policy decisions are based. The Prime Minister, Mr James Callaghan, told the House of Commons on 25 November that the Government 'would ensure that such information as they could make available would be made available so that there can be better analysis of ministerial policy decisions and conclusions'.

In addition to the continuing publication of consultative documents – or 'Green Papers' – the Government is to make available as much as possible of the factual and analytical material used in major policy studies. This would include, where appropriate, material prepared under the Programme Analysis and Review (Par) system, which is designed to investigate thoroughly the effectiveness of areas of Government policy.

The Prime Minister told MPs that the Government wanted to keep the cost of the exercise to a minimum and 'therefore the arrangements cannot be on a luxurious scale'.

[1] Recommendations of a committee under the chairmanship of Lord Houghton of Sowerby on measures to protect the confidentiality of Cabinet documents have been broadly accepted by the Government and their detailed application is being studied. (See p 485.)

EXTERNAL AFFAIRS AND DEFENCE

European Community

The European Council met on 29 and 30 November, and discussions focused on the economic situation in the Community. As Britain is to hold the presidency of the Council of Ministers for six months from 1 January 1977, the Foreign Secretary has outlined Britain's approach to the presidency and the arrangements which have been made to deal with the additional activities in Britain. Agriculture ministers met again in November and signed a number of agreements, one of which had special relevance to Britain's animal health arrangements. The Community's negotiations with Iceland and other non-member countries for fishing rights also formed an important part of the month's activities, and the British House of Commons gave a second reading to the Bill to extend fishing limits to 200 miles. Education ministers agreed on a resolution which outlined measures to help young people in the transition from education to working life. These matters and other agreements signed in November are detailed below.

EUROPEAN COUNCIL

The European Council, composed of the heads of State or of Government of the members of the Community, held a meeting in The Hague on 29 and 30 November. The Prime Minister, Mr James Callaghan, later made a statement to the House of Commons (*Hansard*, 1.12.76, cols 918-31) in which he outlined the topics that had been covered at the meeting.

Economic Problems

He said that a full discussion of economic and monetary matters had taken place, and the present state and prospects of the Community had been considered in relation to the rest of the world. Mr Callaghan said: 'Most of our partners share, in varying degree, our own concern with problems of inflation, employment and balance of payments. There was common interest in trying to ensure that the growth of activity, both in the Community and in the rest of the world, should not slow down and in finding constructive ways of tackling our common problems in a Community framework.' He added that his colleagues agreed with his view that the countries faced with the greatest economic problems must take all possible steps to help themselves, but they were also of the view that the stronger economies should play an important part in aiding the recovery of the weaker states. There was some measure of optimism about the prospects of continuing economic recovery, the Prime Minister said, but all member states were concerned about the serious potential effects of any further increase in oil prices.

North-South Dialogue

The second major subject of discussion was the North-South dialogue (see p 384, footnote 1) and the range of problems concerned with international economic co-operation. The European Council examined the questions under discussion in the international bodies, and, said Mr Callaghan, 'reaffirmed the importance it attaches to making a contribution to the economic development of the developing countries, while keeping in mind the problems posed by difficulties in the Community's own economy'.

Common Policies

The work on the Tindemans report had also been completed during this session (see pp 59-61). The Council endorsed the general lines on which the Community's foreign ministers had been working and 'emphasised the importance to be given in the next phase of the Community's development to combating inflation and unemployment, to drawing up common policies for energy and for research, and to developing a genuine regional and social policy in the Community'.[1]

Japan

Trade relations between the Community and Japan were also discussed. Attention was drawn, Mr Callaghan said, to the deterioration in the trade situation and the difficulties which have arisen in certain industrial sectors. Urgent consideration is to be given to these questions, and

[1] A statement linked by the European Council further said that 'the construction of Europe must also make the best use of possibilities for co-operation between the nine governments in those areas where the member states are prepared to exercise their sovereignty in a progressively convergent manner. This form of co-operation in the field of foreign policy must lead to the search for a common external policy'. The statement then added: 'On the basis of the conclusions reached by the ministers for foreign affairs, the European Council invites them, and the Commission in the sectors for which it is competent, to report to it once a year on the results obtained and the progress which can be achieved in the short-term in the various sectors of the union, thus translating into reality the common conception of European union.'

the Council expressed satisfaction at Japan's willingness to co-operate with the Community.[1]

Agriculture

There had been an exchange of views on the agricultural problems in the Community including the question of monetary compensatory amounts (see p 402). Some member Governments focused attention on matters arising from changes in the value of currencies, but Mr Callaghan emphasised 'that these must be seen as only one part of a wider problem – the need to improve the agricultural policy and particularly to eliminate costly surpluses'.

The Commission

The nominations of each of the member Governments to the new Commission had been approved at this meeting. Mr Roy Jenkins (the former British Home Secretary) is to be formally appointed as president of the Commission, and Mr Christopher Tugendhat (presently Member of Parliament for the City of London and Westminster, South) has been confirmed as the second British Commissioner.

Mr Callaghan concluded his statement by summarising the main findings of the European Council meeting. He said it 'once more made clear that many of the problems which we in this country face are shared by others in the Community. It also showed that the institutions of the Community are not sufficiently developed to provide common solutions to these problems, which are intensified by the growing divergence between the economies of various member states. Nevertheless, the exchange of views which we held during the Council meeting will be helpful in our efforts to resolve them.'

BRITAIN AND THE PRESIDENCY OF THE COUNCIL

Britain is to hold the presidency of the Council of Ministers of the European Community for six months from 1 January 1977. In a speech to the Foreign Press Association on 8 November, the Secretary of State for Foreign and Commonwealth Affairs, Mr Anthony Crosland, outlined Britain's approach to the presidency. The presidency entails the chairmanship of all meetings of ministers of the member states and all subsidiary meetings. This includes two meetings of the European Council, seven meetings of the Council of Foreign Affairs, meetings of other ministers, and an additional two meetings of foreign ministers to discuss questions of political co-operation. Mr Crosland will also act as the Community's spokesman on external affairs. 'In sum', Mr Crosland said, 'we are the business managers of the Community during our period in office.' In conjunction with this activity, he said, 'we have also to remember Britain's many interests and responsibilities outside Europe'.

The Presidency Secretariat

A new department in the Foreign and Commonwealth Office called the Presidency Secretariat has been set up by the Foreign Secretary to 'supervise the organisation of meetings held in London, to run political co-operation and to liaise between the UK presidency and the institutions of the Community'. Preparations like these had been made, said Mr Crosland, in order to live up to the high standards of previous office-holders, and in order to 'create the right kind of conditions for productive debate and practical solutions'.

Britain's Objectives

In turning to Britain's objectives during its term of office, Mr Crosland said: 'To expect from me on the morning of 1 January 1977 a firework display of new initiatives is to misunderstand the role of Community president.' He emphasised that the president 'is first and foremost a chairman: his job is to discharge business as impartially and efficiently as possible'. . . . 'In a sense', he said, 'we cannot set our own objectives since we inherit an agenda from the preceding presidency . . . and this is the raw material with which we have to work', but Britain would attempt to bring these items on the agenda to a positive conclusion.

Two basic areas of concern face the Community president, Mr Crosland said; these are the pursuit of Community goals, and the pursuit of national goals. But he thought that this was something of an artificial distinction: 'It is after all in our national interest that the Community's policies should work well. Equally it is to the Community's advantage that national interests should be recognised and accommodated.' He said that Britain would continue 'to stand up for what is vital to us', but at the same time he made clear that the presidency does not confer any special advantages on Britain. 'Our Community partners are entitled to expect from their chairman impartiality and encouragement in resolving differences of view. I have every intention of being a fair-minded and conciliatory president', he said. 'Of course I represent my country's interests as well. Achieving a proper balance between the two roles will not be easy. But others before me have managed it and I shall try and do the same.'

Enlargement of the Community

Commenting on the issues with which the Community is likely to be involved in the first half of next year, Mr Crosland said that the first concern would be enlargement, and in this context he mentioned the on-going negotiations for membership with Greece (see p 385), and the prospect that Portugal might also apply for membership during Britain's tenure of office (see p 385). 'Enlargement', he said, 'presents the Community with perhaps its most testing challenge.' While stating that it gave rise to 'considerable practical difficulties', Mr Crosland thought that these were outweighed by political benefits, for example, by the new strength which enlargement would give to European democracy.

[1] A European Council statement after noting with concern the effects of import and export practices followed hitherto in Japan, called for 'determined efforts . . . to remedy this situation, paying particular attention to the need for rapid expansion of Japanese imports from the Community, with a view to the development of mutually advantageous trade relations'.

Political Co-operation

Another area in which Mr Crosland expects to see considerable activity is in the preparations for a common position with respect to the Belgrade conference, to be held to review the progress in implementing the Helsinki Final Act of the Conference on Security and Co-operation in Europe (CSCE: see pp 305-12, 1975). He said that political co-operation on foreign policy issues was becoming increasingly important, and he described CSCE as 'a good example of the way in which the nine together are able to pursue an active rather than merely a reactive policy'.

Commercial Policy

Britain is also to look for progress in the development of the common commercial policy. In reference to this Mr Crosland said: 'We expect to see the resumption of the multilateral trade negotiations – the so-called Tokyo Round [see p 394, 1973]. This will be important for the Community's relations with the United States. We shall probably be in active trade negotiations with Spain, Iran and, possibly, Turkey. Trade agreements with some Middle East states will probably be ready for signature. We can expect to play a central role in the North-South dialogue [see p 384, footnote 1]. We shall, for instance, be co-ordinating the Community line in negotiations following on from UNCTAD IV, and in the Conference on International Economic Co-operation, if that continues beyond the end of the year. It is probable that the second meeting of the Joint Ministerial Council with African, Caribbean and Pacific Countries under the Lomé Convention [see pp 317-18] will take place during our presidency.'

Economic Convergence

Turning to questions of internal economic integration, Mr Crosland said that consideration of these questions cannot be divorced from the fundamental issue of economic convergence. 'This will be a foremost consideration for us next year, as indeed it is now.' Economic convergence would require, he said, 'a massive transfer of resources from richer to poorer regions', and he thought that the regional and social funds were, at present, inadequate to deal with this. 'If the goal of economic convergence is to be made a realistic possibility, we shall have to work out a coherent strategy which is wholly lacking now. It is against this background that the Community will have to discuss during our presidency possible successor arrangements to the social and regional funds which must be renewed before the end of next year.'

Common Fisheries Policy

Speaking of national goals for the presidency, he described the question of fisheries as the 'number one' priority. He welcomed the Community's decision to extend fishing limits to 200 miles from 1 January 1977 (see p 421); he referred to the need to complete the negotiations with third countries for reciprocal fishing rights; and he called for the revision of the common fisheries policy itself, which, he said, 'as matters stand, . . . is a one-way street. Over half the Community's fish stocks will lie in British waters when we extend to 200 miles. But we, for our part, will catch only an infinitesimal proportion of our needs in the waters of other member states.'

Common Agricultural Policy

Mr Crosland also outlined Britain's objectives with regard to the common agricultural policy: 'a fair deal for consumers, a reasonable livelihood for our farmers, cost-effectiveness and access for our traditional suppliers'.

Mr Crosland concluded his account of the British presidency by calling for a period in which expectations of what can be achieved will become more realistic than they have been in the past, and for a commitment to ensuring that the Community functions well, with the right conditions for productive debate.

FISHERIES

200-mile Limit

Fishing Limits Bill

Following the Community's foreign ministers' agreement to extend their countries' fishing limits to 200 miles (see p 421), the British House of Commons gave an unopposed second reading to the Fishing Limits Bill. The Bill contains provisions for British fishery limits to be extended to 200 miles (or to the median line, that is, half-way line between two countries' coasts, where the total distance between the coasts is less than 400 miles). The extension is planned to take place on 1 January 1977. The Bill also contains provisions extending ministers' powers to regulate fishing by British and overseas vessels throughout the 200-mile zone, and to exercise control of such fishing by means of a licensing system; these powers will enable ministers to introduce measures designed to conserve fish stocks, many of which are seriously depleted. The measures may include limitations on fishing for particular species, in particular areas or at particular times and restrictions on the overall number of boats engaged in a particular fishery or the number of vessels of a particular size or type.

The Bill gives the Minister of Agriculture, Fisheries and Food powers (similar to those already exercised by the Secretary of State for Scotland) to take measures to police fishery regulations and protect British fisheries. It also increases substantially the maximum level of fines for contravention of fishery regulations; for the most serious offences such as unauthorised fishing by an overseas fishing vessel the maximum fine on summary conviction is raised to £50,000, with provision for an unlimited fine in the case of conviction on indictment.

Ministers' Speeches

Speaking in the debate on the Bill (*Hansard*, 3.12.76, cols 1347-431), the Minister of Agriculture, Fisheries and Food, Mr John Silkin, said that non-Community states would only be allowed to fish within the 200-mile limits if they fished traditionally around Britain and were not merely newcomers.

There was a danger, Mr Silkin said, that the fishing limits imposed by other states would lead to the fishing fleets formerly concentrated in the north-west Atlantic and off Norway, being diverted to British waters. 'This is, of course, not a British problem alone; the Community as a whole is affected', he said. 'But if we can move in a common direction our negotiating position on reciprocal fishing rights and control of fishing by other nations will be the stronger.' Mr Silkin was, however, concerned that the Community had left itself little time to meet the date of 1 January 1977 for the extension of its fishing limits to 200 miles.

The Secretary of State for Scotland, Mr Bruce Millan, also spoke in the debate and raised the question of reciprocal rights for non-member countries. Reciprocal arrangements were to be sought where possible, but where nations were fishing in Community waters and had nothing to offer by way of reciprocation, the Government would seek to phase out access by these countries. With reference to fishery protection, Mr Millan said that present and expected[1] protection vessels together with *Nimrod* aircraft were likely to be sufficient, and other naval vessels would be available for particular tasks.

Negotiations with Iceland

The agreement between Iceland and Britain (see pp 250-1) which limited the number of British trawlers within 200 nautical miles off Iceland expired on 1 December. The Foreign Secretary, Mr Anthony Crosland, issued a statement on 26 November which referred to the expiry of this agreement and to discussions which a member of the Commission, Mr Finn Olav Gundelach, had with the Icelandic authorities with the object of securing an agreement between the European Community and Iceland. Mr Crosland said that it had not proved possible for Britain to secure an arrangement with Iceland for uninterrupted fishing from 1 December, but Mr Gundelach had agreed that negotiations on a long-term agreement between the Community and Iceland would begin in Brussels in mid-December. These negotiations will cover joint conservation measures, and, in view of Britain's and the Community's intention to extend their fishing limits to 200 miles from 1 January 1977 (see pp 421-2), they will also cover the question of reciprocal access by Community and Icelandic fishing vessels within each other's waters.

Mr Crosland took note of Mr Gundelach's statement that at the opening of formal negotiations both parties would be in a position to make statements about the fishing regimes they would operate in their own waters from 1 January 1977 for an interim period. These statements would permit the successful pursuit and conclusion of the negotiations. Mr Gundelach was equally confident, Mr Crosland said, that such measures would avoid an abrupt reduction of fishing by either side in the other's waters.

The Foreign Secretary concluded by stating that although it would not be possible before negotiations to specify the figures for the permitted levels of fishing on either side, 'it is my firm belief that the degree of understanding which Commissioner Gundelach has achieved with the Icelandic Government on this matter offers a possibility for a reasonable solution'. Mr Crosland regretted the loss of fishing by British trawlermen for the month of December, but said 'even that is better than a fresh confrontation'.

Negotiations with Third Countries

At the Council of Ministers meeting on 15 and 16 November, foreign ministers heard an interim report from the Commission on the negotiations being held with a number of non-member countries, with a view to governing their access to Community waters after the extension of the Community's fishing limits. The Council agreed to refer the question of a negotiating mandate to COREPER (the Committee of Permanent Representatives of the European Economic Community)[1] for urgent discussion.

After the Council meeting, Mr Crosland stated that these negotiations with non-member countries had now become 'extremely urgent for us'. The increase in the Soviet fishing catch in British waters was, he said, 'probably the most important external threat to British fish stocks'.

The Commission estimates that in 1974 the Soviet fishing catch, in what will be Community waters, was of the order of 389,000 tons (two-thirds of it was within the prospective British 200-mile fishing zone). In the Commission's judgment this represented an approximate sixfold increase in the Soviet catch since 1968.

AGRICULTURE

Agriculture ministers held a Council meeting in Brussels on 22 and 23 November and continued discussion of the Commission's action programme for the gradual stabilisation of the milk market (see p 422). Other important questions discussed related to imports of beef and animal health measures. Agreements suspending the tariff duty on potatoes and limiting the water content of fowl carcases were also signed.

Milk Surplus

In a statement to the House of Commons (*Hansard*, 26.11.76, cols 337-45), the Minister of Agriculture, Fisheries and Food, Mr John Silkin, said that at the agriculture ministers' meeting he had made it clear that in the British Government's view the milk surplus made necessary 'a price policy which concentrates on the needs of the efficient producer'. He said: 'It is our approach to the Community milk surplus that there should be growth in production in the right areas, such as parts of the United Kingdom, but a contraction in less suitable areas and in the total volume of Community output.'

The question of a levy on vegetable oils and fats was again raised at the meeting (see p 422)

[1] This refers to the five new Royal Navy ships of the *Island* class, one of which has already been commissioned and the remainder of which will enter service during 1977. (*Hansard*, 28.10.76, written answers, col 367.)

[1] This body prepares the work of the Council of Ministers and carries out tasks assigned to it by the Council.

and Mr Silkin reiterated that Britain could not accept a tax on these products, nor the proposals for exclusive use of butterfat [instead of non-milk fats] in milk products. The ministers agreed to grant Community aid to school milk programmes. There was also agreement on Community aid for accelerated programmes designed to eradicate brucellosis, tuberculosis and bovine leucosis (see p 422).

Beef Imports

In reference to the regime for beef imports into the Community, Mr Silkin told the House: 'It is our policy to liberalise imports so as to get more stable supplies for our consumers from the traditional beef-exporting countries of the world. Accordingly, I pressed for the Community's import restrictions under the safeguard clause[1] to be relaxed.' He said that the Council had discussed the main principles of the import regime which would come into effect when the present restrictions were removed. The Commission has proposed a system of levies to regulate the flow of beef imports which Mr Silkin described as 'a step in the right direction'. However, he withheld his agreement to the scheme until the Commission puts forward reasonable proposals for beef imports under the Community's arrangements for 1977, which allow for reduced levies on beef for manufacturing.

Animal Health Measures

The Treaty of Accession permits Britain and the Irish Republic to apply their own national safeguards for the import of meat and live animals from other Community countries until the end of 1976 for meat, and until the end of 1977 for animals. At the meeting, certain health measures were agreed which enable Britain and the Irish Republic to adapt their national safeguard measures to the Community's arrangements. Britain, which has been free of foot and mouth disease since 1968, is permitted to retain its present more stringent regulations for the import of meat from any member state in which there is a foot and mouth outbreak. In addition, no live animal vaccinated against this disease will be allowed on British soil. With regard to swine fever, Britain will retain its national rules for meat imports for a further year. The Community is committed to the eradication of this disease by the end of 1977.

Northern Ireland, in common with the Irish Republic, will retain its existing stringent regulations, and will be allowed to preserve national safeguard measures for a further five years.

Agriculture ministers also agreed on a list of third countries eligible to export cattle, pigs and meat to the Community. This list includes Botswana and other traditional British suppliers in Africa. An emergency veterinary fund is also to be established to safeguard the Community against the introduction of new strains of cattle virus.

[1] The safeguard clause refers to a series of measures which the Commission is empowered to impose to remove any imbalance in the beef market; for example it may cancel some licences for beef imports, except those covered by international agreements.

Potatoes

The Council agreed to a regulation temporarily and totally suspending the autonomous Common Customs Tariff for potatoes until 28 February 1977 (see p 238).

Fowl Carcases

The Council also adopted a regulation laying down common standards for the water content of fowl carcases. It is hoped that this measure will make a major contribution to increasing intra-Community trade in these products. At a meeting on 30 November with leaders of the poultry industry in Britain, Mr Silkin announced the Government's intention to impose this regulation. The amount of water will be limited from the end of next year to an average of 7·4 per cent by weight. Checks will be carried out in poultrymeat slaughterhouses, and possibly at wholesale and retail levels, and on importation.

ECONOMIC POLICY

The Community's finance ministers adopted on 23 November the annual report on the economic situation in the Community. The report contains guidelines for economic policy in 1977 for the Community as a whole, and for each individual member state. It covers cyclical, structural, budgetary and monetary aspects of policy. The finance ministers found it necessary, however, to delete the quantitative targets for money supply growth from the original document, in view of the general uncertainty about the outlook for the world economy.

Preparation of Young People for Working Life

The Community's education ministers met as Council of Ministers on 29 November and agreed to spend about £7·6 million over the next four years to help combat unemployment among the young in Community countries. The ministers agreed to take into account, in developing their national policies, a number of measures designed to make young people better prepared for working life, and periodically to exchange and compare experience in the Education Committee. At the Community level, they agreed to implement pilot projects and studies to assist in the evaluation and development of these policies, to organise study visits relating to vocational training guidance and workshops for teachers and trainers of teachers, and to extend existing Community arrangements to provide regular information on trends and developments relating to vocational guidance.

The British Secretary of State for Education and Science, Mrs Shirley Williams, stressed the special needs of girls and also of immigrants and the physically and mentally handicapped. Special mention was made of these groups in the resolution adopted by the education ministers at the meeting.

EXTERNAL RELATIONS

Romania

The European Economic Community (EEC) in its first formal agreement with an East European country has signed a pact which regulates the flow of

Romanian textile imports into the Community. The two-year agreement is retrospective dating back to the start of this year, and ending in 1977. It will become effective immediately.

Prime Minister's Visit to France

The British Prime Minister, Mr James Callaghan, visited France on 11 and 12 November for talks with the President of France, M. Giscard d'Estaing. Mr Callaghan was accompanied by the Chancellor of the Exchequer, Mr Denis Healey, the Foreign and Commonwealth Secretary, Mr Anthony Crosland, the Secretary of State for Trade, Mr Edmund Dell, and the Minister of Agriculture, Fisheries and Food, Mr John Silkin. The talks – the first in the series of annual meetings agreed upon during the President's state visit to Britain in June (see pp 273-4) – have been seen by both sides as giving a new and hopeful impetus to Anglo-French relations and as a valuable contribution to the cohesion of the European Community and thus of benefit to Europe as a whole.

The informal talks, which were held at Rambouillet, covered a wide range of bilateral affairs as well as European Community and international matters. At a joint press conference given at the end of their discussions, Mr Callaghan stated: 'This is the first meeting in a close working relationship between France and Britain held for the benefit of all.' He added: 'The word for our exchanges is intimate. We opened our minds and hearts to each other and there was no reserve. We discussed our problems frankly and also international problems in the same spirit.'

Turning to specific details of the talks, Mr Callaghan said that both the French President and Prime Minister had indicated that during the forthcoming International Monetary Fund discussions of Britain's application for a loan (see p 471) 'the French delegates will play a constructive role'. They will be doing this both in the interests of Britain and the European Community as a whole.

Mr Callaghan said the French Government had 'approved the intention of the British Government to seek a solution to the problem of sterling balances since this would contribute to both the stability of the international monetary system and the strength of the British economy'. Mr Callaghan went on, 'we also discussed the problems of oil prices and the impact they could have, if there were any modifications, on our two economies'.

Both M. Giscard d'Estaing and Mr Callaghan stressed that measures to extend Anglo-French industrial co-operation had played an important part in their talks. As a result officials from both countries would shortly form working groups in Paris and London to see whether there were common problems in industry needing common solutions. Such industries would include the shipbuilding, iron and steel, textiles, electronic and possibly motor car industries.

The two leaders also considered the question of the European Community's common fisheries policy and outlined their respective points of view on this matter before it comes up for discussion at the European Council on 29 and 30 November (see p 462). During the plenary session, attended by all ministers from both sides, Mr Crosland took the opportunity of briefing the French side on the progress of the Rhodesia Conference in Geneva (see pp 386-7).

There were no major bilateral problems that needed to be resolved during the separate meetings held between the individual British and French ministers.

Foreign and Commonwealth Secretary's Visit to Yugoslavia

The Secretary of State for Foreign and Commonwealth Affairs, Mr Anthony Crosland, paid an official visit to Yugoslavia from 2 to 5 November. Mr Crosland held wide-ranging discussions with the Yugoslav Federal Secretary for Foreign Affairs, Mr Milos Minic, on the future development of British-Yugoslav relations and on a large number of current problems of international political and economic relations. At the end of the talks a joint communiqué was issued in which Mr Crosland stressed that the British Government attached the greatest importance to Yugoslavia's position, integrity and influence as an independent and non-aligned country.

Both sides pledged to develop further their existing good relations in accordance with the Final Act of the Conference on Security and Co-operation in Europe (CSCE – see pp 305-12, 1975) and to broaden co-operation between their two countries, especially in the economic sphere. The two ministers devoted particular attention to the possibilities for improved co-operation between Yugoslavia and the EEC, and confirmed the readiness of their Governments to take steps to 'establish concrete possibilities for the desired improvement in this co-operation on a long-term basis' (see pp 423-4). In discussions on co-operation in the international field Mr Minic and Mr Crosland welcomed the degree of progress made towards a relaxation of international tension, but pointed out that further progress depended on 'the effective resolution of existing international problems and on respect – between all states, irrespective of their geographical location or of their political, economic and social systems – for the principles of sovereignty, territorial integrity and independence'.

The two ministers then emphasised the importance of the full and active application of the Final Act of the CSCE in both bilateral and multilateral co-operation among all signatory states. They expressed the hope that the conference to be held in Belgrade in 1977 to review the implementation of the Final Act would contribute to the speedier and more consistent implementation of its provisions in all fields and 'thereby to the stabilisation and deepening of the process of reducing tension which should embrace all regions of the world'.

In reference to the question of disarmament Mr Minic and Mr Crosland agreed on the importance of the roles of the United Nations and the Conference of the Committee on Disarmament in this regard, and agreed further that a special session of the General Assembly could provide a fresh impulse to the process of international disarmament negotiations.

The two sides reviewed many other current international questions and concluded that their discussions, as well as the other meetings at the highest political level that had taken place during the visit, had contributed to 'their better mutual acquaintance, to mutual respect and to the deepening of co-operation and friendship between their two countries'.

Anglo-Venezuelan Relations

STATE VISIT OF PRESIDENT

Señor Carlos Andrés Pérez, the President of the Republic of Venezuela, and his wife Señora de Pérez, paid an official visit to Britain from 21 to 24 November. The President, who was accompanied by a team of ministers, is the first Venezuelan President in office to visit Britain. In the course of his visit, Sr Pérez had discussions with the Prime Minister, Mr Callaghan, and senior Cabinet ministers on a wide range of political and economic issues.

The official visit reflects the increasingly close contacts between Britain and Venezuela. Five British ministers have visited Venezuela in the last 18 months and four Venezuelan ministers have been in London in the past two months.

Discussions During Visit

Talks held during the presidential visit covered a wide range of issues of common interest to Britain and Venezuela. The two sides exchanged views on the role that Britain and Venezuela play within the Western world in the pursuit of progress and peace. The growing importance of the Latin American countries, their role in the world and the efforts being made by the region towards integration, particularly through the Andean Pact and the Latin American economic system (SELA), was acknowledged. On international economic matters the ministers expressed their hope that the Conference on International and Economic Co-operation (see pp 18-20) would reach a successful conclusion, and the British Government expressed appreciation of the role played at the conference by the Venezuelan co-chairman.

Bilateral economic questions featured significantly in the discussions. Both sides expressed their satisfaction at the present trends in economic and industrial co-operation between the two countries and considered that a further expansion of their trade would be beneficial to both. Specific areas of economic co-operation between the two countries were identified and a number of agreements between British industrial and financial organisations and the relevant Venezuelan authorities were considered. In discussions between President Pérez and British industrialists from both the private and public sectors, reference was made to possible British participation in the Venezuelan transport and steel sectors. Following the discussions, a proposed agreement on economic and industrial co-operation was initialled by the Secretary of State for Trade, Mr Edmund Dell, and the Venezuelan Minister for Foreign Affairs, Sr Ramón Escovar Salom. The agreement, which will establish an effective machinery for consultation in economic sectors, and which is to be formally signed in a few weeks, identified those sectors in which British industry might play a significant part in the development of the Venezuelan economy. These are energy, transport, iron and steel making, petrochemicals, agriculture and fisheries, health and social services, environment and shipbuilding. Under the terms of the agreement, the two Governments will promote initiatives for the conclusion of contracts, encourage the exchange of information and technical contacts and discuss economic and industrial matters of common concern. In addition provision is to be made for the formation, where necessary, of working groups (which may include members from the public and private sectors as well as Government officials) to pursue co-operation in the relevant industrial sectors. It has also been agreed that co-ordination and review at Government level will take place from time to time and that further industrial sectors may be added to the existing list.

The development of Venezuelan offshore oil, coal and electricity was the subject of talks between President Pérez and the British Secretary of State for Energy, Mr Anthony Wedgwood Benn, and both sides agreed that the close collaboration between the two countries should continue. In addition to the proposed agreement on economic and industrial co-operation, proposals were also made for other agreements covering cultural exchanges and educational co-operation.

ECONOMIC RELATIONS

The increasingly close relations that have existed between Britain and Venezuela in recent years have been marked by a sharp increase in trade between the two countries. In 1973 British imports from Venezuela (primarily oil and iron ore) were valued at £58·8 million; in 1974, at £135·2 million; and in 1975, at £165·4 million. Exports to Venezuela (mainly machinery and transport equipment, beverages and tobacco) were valued in 1973 at £39·2 million; in 1974, at £50·3 million; and in 1975, at £91·6 million – an increase of 82 per cent within the last two years.

Britain has recently obtained important orders in Venezuela, including contracts for the design and construction of a sugar cane processing plant at Las Majaguas in Portuguesa State; for the manufacture and installation of Venezuela's first undersea telephone cable link with Europe; and for the manufacture of 22 airships for Aerovision Desarallo SA of Caracas. Joint venture agreements have also recently been signed with Venezuelan companies in the fields of engineering and construction; while a credit agreement of £40 million has just been signed between Lloyds Bank Inter-

national and the Corporacion Venezolana de Fomento for the purchase of British-built capital plant, equipment and related services to the total value of £50 million.

In a major step to promote further trade between the two countries, Britain is to stage its first industrial exhibition in Venezuela from 15 to 24 March 1977. This exhibition, which is being sponsored by the British Overseas Trade Board, is the fifth major industrial exhibition staged by Britain in Latin America in recent years.

BRITISH TECHNICAL CO-OPERATION

In addition to fast-growing trade links, Britain has an expanding technical co-operation programme with Venezuela under which it makes provision for the education and training of Venezuelan students in Britain, and for the supply of experts to assist Venezuelan development. There are at present 900 Venezuelan students in Britain; most of these are school-leavers studying for first degrees or higher national diplomas, while 90 postgraduates are among the most recent arrivals. Under recent technical co-operation arrangements experts have been provided, in association with Britain's Technical Education and Training Organisation for Overseas Countries, to take part in discussions on the establishment of the Ayacucho national scholarship and training scheme; to report on Venezuela's technical teacher training requirements; and to arrange and conduct a course for lecturers at the Instituto Universitario Politecnico de Guayana; while teaching staff from Venezuela have recently visited British educational institutions in matters relating to wholesale and retail distribution, and technician training in chemical engineering, naval architecture and agriculture.

Shorter Notes

ROYAL VISIT TO LUXEMBOURG

The Queen, accompanied by the Duke of Edinburgh, paid a state visit to Luxembourg from 8 to 10 November. Their programme included visits to the Kirchberg European Centre (for Community meetings) and other places of interest within the Grand Duchy, both historical and modern. In a speech at a luncheon given by the Luxembourg Government, the Queen paid tribute to the long line of Luxembourg statesmen 'who have made their country's voice heard in the councils of Europe and indeed of the world'. At the end of the official visit the Queen and the Duke of Edinburgh stayed as private guests of the Grand Duke and the Grand Duchess at the Chateau de Berg, their private estate.

EUROPEAN CONVENTION ON SUPPRESSION OF TERRORISM

The Committee of Foreign Ministers of the Council of Europe, meeting in Strasbourg at Deputy level, adopted a European Convention on the Suppression of Terrorism on 10 November. The convention affirms the growing concern of member states of the Council towards the increase in acts of terrorism and sets out the terms under which extradition of offenders can be carried out between its member states. In addition the convention pledges the contracting parties to afford each other 'the widest measure of mutual assistance' in cases involving acts of terrorism, and provides for a system of arbitration in the event of any dispute concerning the interpretation or application of the convention.

The convention will be opened for signature on 27 January 1977 and will enter into force three months after it has been ratified by three member states. In the House of Commons on 22 November (*Hansard*, col 912), Dr David Owen, Minister of State at the Foreign and Commonwealth Office, stated that the Government intended to sign the convention on 27 January 1977 and then to seek parliamentary approval for changes in the law to enable the convention to be ratified without reservation.

NEW IRISH PRESIDENT

Following the resignation of Mr O Dalaigh, Dr Patrick Hillery was inaugurated as the sixth President of the Irish Republic on 3 December. Dr Hillery, who was formerly the Republic's Minister for Foreign Affairs and latterly a member of the European Commission with special responsibility for social affairs, was nominated by the opposition Fianna Fail Party. His candidature was unopposed.

ECONOMIC AND SCIENTIFIC AFFAIRS

The Economy

CHANCELLOR'S SPEECH

The Chancellor of the Exchequer, Mr Denis Healey, summarised recent developments in the British economy in a House of Commons debate on the Queen's speech on 30 November (*Hansard*, cols 704-22).

Relation to World Trends

The Chancellor spoke first about the deterioration in the world economy since the summer, which now appeared greater than when he had last referred to it (see pp 390-3).

Although not all the figures for the third quarter were yet available, it already seemed that, whereas in the previous 12 months industrial production in the Organisation for Economic Co-operation and Development area as a whole had been rising at an annual rate of about 10 per cent, in the third quarter of 1976 it rose at less than half that rate.

There must still be deep uncertainty, he said, about the prospects for world growth in the next 12 months, although the general view was that recovery would resume, though at a lower pace than expected last summer. Mr Healey said that in the third quarter the volume of British exports fell by 3 per cent, although there had been some recovery in the past two months. Imports had remained about constant. Industrial production had fallen by about 0·5 per cent.

Gross domestic product (GDP) had been sustained in the third quarter by some rise in consumption following the payment of the income tax rebates announced in the April Budget and a levelling out of the decline in stock-building. Nevertheless, in both the second and third quarters of this year, Britain's GDP appeared to have been rising at a rate of under 2 per cent a year.

Despite some special factors, Mr Healey said that it was not altogether clear why export volume had fallen at a time when exports 'have never been more competitive and profitable for British manufacturers'. While, on the one hand, it remained difficult to estimate the nature of Britain's export performance in the coming year the Chancellor pointed out that in addition to the increase in employment in manufacturing industry which began in the summer – a rise of over 60,000 between the second and third quarters of the year – the latest figures suggested that capital spending by manufacturing industry had also begun to improve. Investment by manufacturing industry rose about 2 per cent between the second and third quarters, he said, and spending was now almost 3 per cent above the low point reached during the first quarter. The prospect for the future was brighter still. In its most recent report, the Confederation of British Industry had forecast a rise of 15 per cent next year, on the basis of information collected after the sharp rise in interest rates.

In other respects, however, the outlook was still uncertain. The depreciation of sterling since the summer would keep inflation at about its present level well into the coming year and this, in itself, would tend to depress home demand. Moreover, although the lagged effect of depreciation could be expected to produce a substantial improvement in exports and import substitution next year, if world trade failed to grow at the rate forecast earlier in the year, external demand was also likely to be lower than expected. These factors taken together made it likely that unless world trade improved, the growth in GDP in 1977 might be only half as high as expected in July.

Stabilisation Programme

Returning to the theme of gradualism about which he had spoken on 21 October (see pp 426-8), Mr Healey said that what was 'needed at the present critical moment in Britain is a programme which will bring the economy into balance at a pace which will not overstrain the national consensus on which all hope of industrial progress and recovery must depend. We must think in terms of a stabilisation programme covering at least two years, perhaps three.'

The immediate problem remained, however, to regain control of the £ sterling.

The measures which the Government took in October to tighten credit (see p 391) had already had a marked effect on the growth of money supply, although excessive bank lending in October had lessened the full effect which could otherwise have been expected from the massive sales of gilt-edged securities which followed.

For this reason it had been decided to reintroduce the supplementary special deposits scheme (see p 472) and to end the provisions under which banks in Britain are able to lend money for financing trade between third countries (see p 472). Besides making more credit available for British industry within the strict limits now set on bank advances, the latter measure, the Chancellor said, was expected to bring a gain of some £500 million to the capital account in the coming year.

But, Mr Healey stated, 'the foundation of any programme for stabilising our economy must be the re-establishment of confidence in sterling. We have seen a useful improvement here over the last few weeks.'

IMF Application

Mr Healey said that he believed that the successful conclusion of Britain's application for further facilities from the International Monetary Fund (IMF) (see p 392) would consolidate the improvement in sterling, particularly if it was accompanied, or followed closely, by an international agreement to deal with the problems created by the sterling balances. He emphasised that he had been assured repeatedly by the fund 'that the basic thrust of our policy is right – to base our recovery on exports and investment, not on an artificial boost to domestic consumption'. The fund agreed with the Government that provided industry took advantage of the competitivity given it at home and abroad by the recent depreciation of the pound, Britain's balance of payments should be in surplus on current account in 1978. The purpose of the fund drawing for which the Government had applied was to help in financing the external deficit until a surplus was achieved.

Moreover, he continued, the fund gave the same importance as the Government to the two pillars on which the Government's economic policy was based – the social contract with the trade union movement, 'which has given us one of the lowest increases in wage costs in the world and has brought about a dramatic transformation in industrial relations', and the industrial strategy through which the Government, the trade unions and the employers were seeking to improve the performance of manufacturing industry. The IMF regarded the social contract as the 'keystone to our recovery' and had already recommended other countries to follow Britain's example.

Furthermore, Mr Healey went on, the fund recognised the immense progress which had been made by the Treasury in the last 12 months in establishing effective control of public expenditure and the Government's determination to make the limits stick. The fund's concern, like that of the Government, was that the problems of financing the external and internal deficits should not again disturb a steady progress towards the Government's goal as it had done in the last six months.

The fund had recognised that unemployment would have a 'powerful' effect on the public sector borrowing requirement (PSBR). It had estimated broadly that under-capacity working and unemployment in the current year was responsible for between one-third and one-quarter of the whole PSBR.

Moreover, any greater than expected increase (see pp 325-8) in the PSBR would be three-quarters due to the increase in unemployment which might follow the lower growth rates.

Public Expenditure

Among special problems faced by the Government in deciding the size, nature and phasing of necessary adjustments, the Chancellor said, was the balance between public expenditure and taxation.

'It is now accepted by our friends abroad that as a percentage of GDP our public expenditure is well in line with that of other countries. The new definitions of public expenditure which I have recently announced and which the select committee has accepted as reasonable [see below] not only make financial control a good deal easier but also bring our definition more closely in line with that used by other countries.'

The new treatment of nationalised industry expenditure and of debt interest (see below) gave public expenditure in 1975-76 as 51·5 per cent of GDP. But many other countries appeared to exclude from their budget figures that part of social security benefits which was financed by contributions. If Britain did the same the current total of public expenditure would be further reduced to around 45 per cent at factor cost. If, as in the Federal Republic of Germany, GDP were expressed at market prices, then the current percentage of GDP taken by public expenditure would be close to only 40 per cent.

[The Treasury gave evidence to the Expenditure Committee of the House of Commons in October on developments in both the control and presentation of public expenditure. A memorandum on planning and control submitted to the select committee summarises three recent developments in the field of control – the use of the contingency reserve as a limit within which new expenditure decisions during the year must be contained; cash limits (see pp 209-10 and 427) which ensure that out-turn during the year is in line with decisions; and a new financial information system for monitoring the progress of central Government expenditure during the year. The intention behind the presentational changes in the figures relating to nationalised industries and debt interest is that they should better reflect the way in which these are in practice controlled and financed. The capital expenditure figures given hitherto for nationalised industries gave no indication of self-financing; henceforth public expenditure totals will include only the amount of Government funds provided to the nationalised industries, whether by loans, public dividend capital or grant. In future, figures for debt interest will be confined to those payments which are not met from prices, rents or charges.]

The Chancellor pointed out that these changes in presentation did not in themselves affect the actual size of the PSBR or the taxation requirement.

'Unless we act to reduce the size of our PSBR we are likely to find that we can finance it only by keeping interest rates at levels which, if they persist for any length of time, will gravely damage our industrial strategy.' The Government had, therefore, to aim at a 'steady and continuous' reduction in the PSBR. This could not be done by an increase in direct taxation. Indeed there were many reasons for seeking to reduce the burden of direct taxation including, Mr Healey believed, 'a very strong case' for dealing with the problem of the overlap between wages and benefits.

However, he concluded, decisions on direct taxation could only be taken in the spring budget. Moreover, it would be impossible to take such decisions until the shape of the third pay round was known. The Government and the Trades Union Congress believed that it would be essential to continue the attack on inflation after the second pay round

ended in July 1977 in ways which would permit greater flexibility in wage bargaining than had been possible in the first two rounds.

The Chancellor hoped that it would be 'possible to reach decisions on this matter in time for them to be reflected in the income tax provisions of the next budget. Moreover, if in the meantime the figures show that we have over-estimated the size of the adjustment needed to bring down the PSBR to the right level next year, the necessary demand can be fed back into the economy by income tax reliefs next spring.'

SUPPLEMENTARY SPECIAL DEPOSITS

The Bank of England announced on 18 November that it had decided, with the approval of the Chancellor of the Exchequer, to reintroduce immediately the supplementary special deposits scheme that was suspended in February 1975 (see p 121, 1975). Further monetary restraint had become necessary because the banking figures for October indicated continuing rapid growth in lending to the private sector.

Under the scheme, which applies to all banks (except Northern Ireland banks) and to deposit-taking finance houses, a guideline is set for the growth of each bank's or finance house's sterling interest-bearing eligible liabilities. These institutions are required to pay supplementary special deposits when they exceed their appropriate rates of growth.

The existing guidance to banks on the direction of their lending remains in force (see p 328). (The scope for banks to meet the essential needs of industry within the guideline will be increased by the rundown of their sterling advances to finance third country trade, following the exchange control ban on such advances (see below).)

EXCHANGE CONTROL ALTERATIONS

On 19 November alterations became effective in exchange control rules relating to the provision of sterling finance by banks in Britain where one overseas sterling area (OSA) country is trading with another, and for trade between such countries and other non-scheduled territories (the scheduled territories comprise the United Kingdom, the Channel Islands, the Isle of Man, the Irish Republic and Gibraltar). These alterations are designed to end the provision of such finance and, at the same time, to terminate the use by British merchants of official exchange to finance trade between any of the non-scheduled territories (which include the OSA).

The measures are expected to produce a substantial once-for-all inflow of foreign currency in the coming months as drawings under the facilities are repaid and as the facilities themselves are withdrawn. In addition, the action will help to protect the sterling exchange rate at any times of pressure in the future.

Sterling credit provided by British banks for foreign trade will in future be restricted to the financing of trade between the scheduled territories and the rest of the world. In line with this restriction, British merchants will in future be allowed to pay non-residents for goods on-sold to other non-residents only with foreign currency borrowed for this purpose. Banks will remain free to replace the sterling facilities hitherto made available by offering appropriate finance in foreign currency to overseas customers or to British merchants.

To avoid unnecessary disruption and to allow for new facilities to be arranged, new drawings under existing bank lines of credit for trade between OSA countries and between such countries and other non-scheduled territories were allowed for one month from 19 November under the rules in force until then. Authorised banks were also able, during the same period, to continue to make payments of official exchange to non-resident suppliers in respect of contracts to which British merchants were already committed. The prior permission of the Bank of England was required for any departure from the new rules, which were set out in full in notices issued by the Bank.

Background

When, in June 1972, exchange control was extended to British residents' transactions with most of the countries previously forming the scheduled territories, rules for the lending of sterling by British banks to residents in those countries were deliberately drawn in wide terms. (Sterling bank credit facilities for trade between countries outside the overseas sterling area had been ended in 1968.) This left in place Britain's traditional banking role in financing the trade of countries in the sterling system, but sterling remained exposed to the possibility of additional pressures at times of weakness. The rules were modified in August 1976 so as to require British banks to satisfy themselves on a documentary basis that such finance related to a specific current movement of goods and that the period of credit did not exceed 180 days. With recent developments in bank lending and the exchange market, the provision from Britain of any sterling finance for third country trade is no longer considered appropriate. The sterling credit facilities which may be made available by banks in Britain for the purpose of financing OSA imports and exports have therefore been brought into line with those available to other non-residents.

Distribution of Income and Wealth

Further and more up-to-date information on the distribution of income and wealth in Britain is given in the latest report of the Royal Commission on the Distribution of Income and Wealth (see p 320, 1974) (Report No. 4, *Second Report on the Standing Reference*, Cmnd 6626, HMSO £1·85, ISBN 0 10 166260 2). The report has three main purposes: to update the statistics presented in the commission's first report (see pp 321-2, 1975); to present a number of new analyses of the basic data on the distribution of income and to set out the work on which the commission is engaged

which will advance the study of the distribution of income and wealth; and to describe the progress made by the Government Statistical Service in implementing the recommendations made in the first report concerning the improvement of official statistics and the development of new sources of information. (Further information on the distribution of income and wealth is given on p 482.)

DISTRIBUTION OF INCOME

Total Income

For information on the distribution of total income from all sources, both before and after tax, the commission's preference is (as previously) for the *National Income and Expenditure* (the Blue Book) distribution tables. These show that between 1972-73 and 1973-74 mean income increased by 15·1 per cent (from £1,614 to £1,857) before tax, and by 13·6 per cent (from £1,383 to £1,571) after tax, during a period when the index of retail prices increased by 10·4 per cent. These figures indicate increases in average real incomes of the order of 4·3 per cent before tax and 2·9 per cent after tax. Table 1 shows that between these two years: the share in total incomes before tax of the bottom 20 per cent of income units increased from 5·8 to 6·2 per cent, a comparatively large change in one year, while the share of the top 20 per cent declined from 42·7 per cent of total income before tax in 1972-73 to 42·4 per cent in 1973-74. The share of the bottom 20 per cent showed a greater increase in the case of incomes after tax – from 6·8 per cent in 1972-73 to 7·4 per cent in 1973-74 – while in the case of the top 20 per cent there was again a decline of 0·3 per cent, from 39·4 to 39·1 per cent. When movements in the shares of the other income groups are taken into account, the net overall effect was a small reduction in inequality, resulting mainly from the increase in the share of the bottom 20 per cent.

The commission points out that the improvement in the position of the bottom 20 per cent of incomes in 1973-74 occurred at a time of substantial change: apart from the rises in prices and average earnings over the period, there were a number of special factors such as the raising of the school-leaving age – which reduced the number of low-income earners; stages 2 and 3 of the statutory pay policy then in force (see pp 170, 497, 1973) – which allowed higher percentage increases at the bottom of the income range than at the top; and the 'three-day week' (see p 16, 1974) which resulted tem-

Table 1

Distribution of Personal Income

Percentage shares of income, before and after income tax, received by given quantile groups: 1972-73 and 1973-74

United Kingdom *Income unit: tax unit*

	Before income tax			After income tax		
Quantile group	1972-73	1973-74	*Income range 1973-74 (lower limit)*	1972-73	1973-74	*Income range 1973-74 (lower limit)*
	%	%	£ p.a.	%	%	£ p.a.
Top 1 per cent	6·4	6·5	7,195	4·4	4·5	5,224
2–5 „ „	10·8	10·6	3,963	9·8	9·8	3,216
6–10 „ „	9·7	9·7	3,260	9·4	9·3	2,703
Top 10 per cent	26·9	26·8	3,260	23·6	23·6	2,703
11–20 „ „	15·8	15·6	2,628	15·8	15·5	2,211
21–30 „ „	13·1	12·9	2,208	13·2	13·2	1,904
31–40 „ „	11·0	11·2	1,879	11·2	11·2	1,619
41–50 „ „	9·2	9·3	1,550	9·5	9·5	1,348
51–60 „ „	7·5	7·5	1,220	8·0	7·8	1,099
61–70 „ „	5·9	5·8	944	6·5	6·4	892
71–80 „ „	4·8	4·7	746	5·5	5·4	725
81–90 „ „	5·8	3·5	549	6·8	4·2	554
91–100 „ „		2·7	–		3·2	–

Source: pre-1973-74 figures derived from *National Income and Expenditure;* 1973-74 figures derived from provisional CSO income distribution table.

Note: In some years the income share of the lower quantile groups cannot be estimated with any degree of confidence as the published range tables have too few income ranges at the lower end of the distribution to permit successful interpolation.

porarily in a marked drop in aggregate earnings. The report says that it is not possible to isolate the separate effects of such factors.

Components of Personal Income

Over the period 1963-75, the share of income from employment and self-employment taken together remained little changed and accounted for about 80 per cent of total personal income – the share being 79·8 per cent in 1963 and 80·4 per cent in 1975. The share of self-employment income in total personal income remained fairly static from 1963 (8·6 per cent) to 1971 (9·2 per cent), when it began to rise to a peak of 10·7 per cent of total personal income in 1973, falling to 9·1 per cent in 1975. Income from receipt of rent, dividends and interest stood at 11·1 per cent of total personal income in 1963, then fell from 10·4 per cent of total personal income in 1973 and 1974 to 8·7 per cent in 1975.

Median[1] earnings from employment increased at a rate substantially higher than the change in the index of retail prices between April 1974 and April 1975, particularly for women because of progress towards equal pay (see pp 487-8, 1975). However, the most striking change between 1974 and 1975 was a drop in the ratio of the highest 1 per cent to the median for male non-manual workers from 327·1 per cent to 297·5 per cent. The highest 1 per cent, as a percentage of the median, also fell in the case of female non-manual workers. The report comments that these figures support the generally held view that the earnings of the highest paid male non-manual employees increased at rates lower than those for other groups of employees.

Using information from the Central Statistical Office's annual study of the effects of taxes and social service benefits on the income of households of different types,[2] the report also shows that, in general, the total of cash social service benefits received by a household tends to be greatest at the bottom of the distribution and to decline as income rises, notwithstanding that certain benefits such as family allowances are paid irrespective of the level of income. In its analyses of the effects of taxes on the incomes of households, the report shows that the proportion of income paid in direct taxes rises steeply at the lower end of the distribution but more gradually in the middle and upper ranges.[3] Benefits in kind are greatest for households consisting of a large number of adults and for those with children. Indirect taxes take a decreasing or, in some cases, a constant proportion of incomes as income rises. When taken together, taxes and benefits reduce the income of the upper income groups and add to the income of the lower income groups, thus lessening the degree of inequality in the distribution. This effect is accounted for by cash benefits and direct taxes, since benefits in kind and indirect taxes together have little effect on the distribution.

New Analyses

Since the publication of the commission's first report it has made some new analyses of the Blue Book distributions of personal income in order to assess the effects of excluding part-year income units (that is, income units which only exist for part of the financial year, such as people who leave school, migrate or die, and women who become married, widowed or divorced) and their incomes, and also of adding back deductions from income allowable for tax, such as mortgage interest.

Part-year Income Units

The exclusion of part-year income units and their incomes leads to an adjusted Blue Book distribution such that in 1973-74, the 6·2 per cent share of the bottom 20 per cent in the original Blue Book distribution before tax becomes 7·2 per cent in the adjusted distribution; while for the top 20 per cent there is a change from 42·4 per cent (original) to 41·2 per cent (adjusted). The original distribution therefore overstates the degree of inequality.

Deductions from Income Allowable for Tax

The adding back of deductions, such as mortgage interest, works in the opposite direction because, in general, the higher the income the larger are the allowable deductions as a proportion of income. In this respect, therefore, the Blue Book distribution understates the degree of inequality. The effect of this adjustment in 1973-74 is to reduce the share of the bottom 20 per cent from 6·2 to 6·1 per cent and to increase the share of the top 20 per cent from 42·4 to 42·8 per cent – changes which are less marked than those in the opposite direction when part-year incomes are excluded.

Combined Effect

The combined effect of both the above adjustments is to produce a revised distribution which is less unequal than the original Blue Book distribution. In the revised distribution the share of the bottom 20 per cent is 7 as against 6·2 per cent in the original distribution and the share of the top 20 per cent is 41·8 as against 42·4 per cent. The commission does not at present know what effect similar adjustments for earlier years would have on past trends.

Sources of Income

Subdivisions of the Blue Book distribution by source of income brings out the concentration of investment income at the top. About one-third of total investment income accruing to persons goes to the top 1 per cent of income recipients and some 60 per cent goes to the top 10 per cent. This reflects the high degree of concentration of ownership of income-producing assets such as company securities.

[1] The median is the item half-way in a series of numbers, as for example in a table of individual incomes; it is a more useful concept in general than the arithmetic average.

[2] 'Effects of Taxes and Benefits on Household Income 1974) *Economic Trends*, February 1976. HMSO, £1·45. ISBN 0 11 723958 5.

[3] This is as a result of the progressive system of direct taxation. A progressive tax is one which takes a higher proportion of income the higher the level of income and the report shows that, in general, the progressiveness (that is, the rate of increase in the proportion) of direct taxes is greatest at the lowest end of the distribution.

Table 2

Estimated Personal Asset Holdings, 1974

Great Britain

Asset/liability	Range of net wealth (lower limit)							Total
	Nil	£5,000	£10,000	£20,000	£50,000	£100,000	£200,000	
	%	%	%	%	%	%	%	%
Physical assets:								
Dwellings	7·1	26·4	35·9	19·1	6·5	2·9	2·0	100·0
Land	1·1	2·0	0·9	17·0	22·7	20·3	35·9	100·0
Other buildings	0·4	5·4	14·6	35·9	25·2	10·0	8·6	100·0
Household goods	20·3	21·3	22·0	16·8	7·0	5·2	7·5	100·0
Trade assets	8·5	9·9	14·0	35·0	17·4	8·4	6·9	100·0
Financial assets:								
Listed ordinary shares*	1·7	3·6	7·5	21·7	21·3	16·2	28·0	100·0
Other company securities	1·0	2·2	3·0	20·8	21·5	20·8	30·7	100·0
Life policies	20·0	24·6	29·7	18·0	5·2	1·3	1·2	100·0
Building society deposits	14·5	17·9	27·2	26·4	9·6	3·2	1·2	100·0
Listed British Government securities	1·9	6·1	9·2	25·6	17·4	15·2	24·6	100·0
Cash and bank deposits	17·6	16·0	17·8	20·2	12·7	7·9	7·8	100·0
National Savings	35·4	22·2	22·6	13·3	3·5	1·3	1·6	100·0
Other financial assets	26·1	17·6	18·0	17·7	8·4	5·3	6·8	100·0
Liabilities:								
Personal debts	15·9	10·6	14·6	23·6	14·4	9·8	11·2	100·0
Property debts	13·6	33·4	33·2	14·2	3·1	1·1	1·3	100·0
Net wealth	12·3	19·3	25·3	19·9	9·8	5·9	7·5	100·0
Numbers of people in range as percentage of estimated total number of wealth owners	55·4	21·7	15·4	5·7	1·3	0·4	0·2	100·0

* Including unit trusts.

Source: derived from 'Estimated wealth of individuals in Great Britain 1974' Inland Revenue, 1976.

DISTRIBUTION OF WEALTH

The total value of personal marketable wealth in Great Britain in 1974, according to the most comprehensive estimate, was £211,843 million, compared with estimates of £173,889 million in 1972 and £203,252 million in 1973 (all values at current prices). Though the total value of personal wealth thus changed only marginally between 1973 and 1974, a broad division between physical and financial assets shows that the relative importance of physical assets (such as land, dwellings and consumer durables) continued to increase, as in earlier years, despite a marked fall in land prices: expressed as a percentage of gross assets, physical assets accounted for 46·1 per cent of the total in 1971, 50·8 per cent in 1972, 56·7 per cent in 1973 and 59·3 per cent in 1974. The dominant change in 1974 was a sharp decline in the value of company securities, resulting partly from the selling of company shares by the personal sector but primarily from a steep fall in stock market values. Information on the asset composition of wealth by range of net wealth (see Table 2) shows that there has been a general tendency towards greater equality since 1960, though there have been year-to-year fluctuations of varying size. Between 1973 and 1974 the movements in the shares of the top groups were in the same direction as the long-term trend.

Estimates of the distribution of wealth among the total population aged 18 and over (see Table 3) show that in 1974, 25 per cent of personal wealth was owned by the top 1 per cent of the adult population, 47·4 per cent by the top 5 per cent and 61·5 per cent by the top 10 per cent. The corresponding figures for 1973 were 28 per cent, 50·5 per cent and 64·7 per cent. The major change between 1973 and 1974 was thus the sharp fall in the share of the top 1 per cent – which may be explained primarily by differential movements in asset prices, in particular the sharp fall in the prices of company shares and the more modest decline in land prices; both these assets are concentrated heavily at the top end of the wealth distribution (thus, land and company securities together accounted for 13·9 per cent of gross assets among the population as a whole, but for 45·1 per cent of gross assets among individuals with net wealth valued between £100,000 and £199,999 and for 59·5 per cent of gross assets among individuals with net wealth valued at £200,000 or more; while taken together, all those with net wealth over £100,000 owned more than 45 per cent of all personally-held company securities and over 55 per cent of all personally-owned land).

An alternative measure of wealth, including the actuarial value of entitlements to occupational and State pensions, shows a rather more equal distribution, with the shares of the top 1, 5 and 10 percentage groups in 1974 being estimated at 13·8, 30 and 41·1 per cent respectively. The major change arises from the inclusion of State pension rights, which exert an equalising influence throughout the distribution. The inclusion of occupational pension rights alone leads to some fall in the shares of the top groups in the distribution; on the other hand, nearly two-thirds of the adult population have no rights at all in occupational pension schemes.

Table 3

Distribution of Personal Wealth, 1973 and 1974

Percentage shares of estimated personal wealth of given quantile groups 1973 and 1974

Great Britain

Quantile group		1973	1974
Total population aged 18 and over		%	%
Top 1	per cent	28·0	25·0
Top 5	„ „	50·5	47·4
Top 10	„ „	64·7	61·5
Top 20	„ „	81·2	78·1
Bottom 80	„ „	18·8	21·9

Source: Derived from adjusted Inland Revenue Statistics.

Family Expenditure Survey 1975

Average net household income in 1975 was £58·15 a week, an increase of 20·3 per cent over the previous year. Expenditure, at £54·58, rose by 18·3 per cent. Food continued to account for almost a quarter of total expenditure. These figures are among the findings of the *Family Expenditure Survey 1975* (HMSO, £4, ISBN 0 11 361085 8) published in November.[1] The report is the latest in an annual series covering the expenditure of private households.

The survey covered a sample of 10,400 households in the United Kingdom, 70 per cent of which provided information. The survey is carried out by the Social Survey Division of the Office of Population Censuses and Surveys in Great Britain and by the Statistics and Economics Unit of the Department of Finance in Northern Ireland, on behalf of the Department of Employment.

Little change took place in the pattern of household expenditure between 1974 (see p 436, 1975) and 1975. Spending on the main items of food (24·8 per cent) and transport and vehicles (13·8 per cent) remained almost unchanged as proportions of total spending on commodities and services. There was a small decrease in the proportion of expenditure devoted to housing, to 13·1 per cent. In money terms average weekly household expenditure on food increased by £2·23 to £13·52 in 1975.

A series of tables on the sources of household income shows that of the average total income, before deductions, of £72·87, the head of the household contributed £53·03. On average 74·8 per cent of family income came from wages and

[1]Preliminary estimates are published in the *Department of Employment Gazette* (see p 301).

salaries, compared with 72·4 per cent in 1974. Security benefits accounted for 9·6 per cent of total income, incomes from self-employment for 5·5 per cent (7·5 per cent in 1974) and income from sub-letting and rent 3·3 per cent.

Regional Variations

Regional tables show the expenditure of households on various commodities in the two-year period 1974-75. (Following reorganisation of local government in England and Wales in 1974 and in Scotland in 1975, figures for 1974 in these analyses have been re-analysed on the regional basis used for 1975.) Families living in the south-east of England, but outside Greater London, had the highest average weekly expenditure per household of £56·79 in 1975 compared with £45·80 in Yorkshire and Humberside. On housing most was spent in Greater London and least in Northern Ireland. Households in Greater London spent the most on meals out, in Scotland and Northern Ireland on cigarettes and tobacco, and in Scotland, Northern England and the West Midlands on alcoholic drinks. Households in Northern Ireland spent the most on footwear, while those in the East Midlands spent the most on television, radio and musical instruments.

Household Goods and Amenities

The survey shows that 51·9 per cent of the sample had a telephone in 1975 compared with 49·5 per cent in 1974 and only 35 per cent in 1970. There were no great changes in 1975 in the proportions of households owning various consumer durables, although most categories showed some increases: the largest rise was in the proportion of households having central heating, which rose by 3·7 per cent to 46·7 per cent. This proportion had been only 30 per cent in 1970, however, and large rises over the five-year period were evident for other goods: 85·3 per cent had a refrigerator or freezer compared with 65 per cent in 1970; 57 per cent owned a car (51·6 per cent in 1970), including 10·6 per cent with access to two or more cars; and 71·9 per cent had a washing machine (64·9 per cent in 1970).

University-Industry Relations

SELECT COMMITTEE'S REPORT

Evidence of the increasing attention being paid by Members of Parliament to fundamental questions affecting industrial performance is provided by the third report from the Select Committee on Science and Technology on University-Industry Relations.[1] This committee is one of the specialist committees established to give back-bench members of all political parties the opportunity to investigate the policies and administration of the Government and to participate in the formulation of policy. The committee, members of which are nominated by the House of Commons, has power to call witnesses, generally takes evidence in public and publishes reports.

Prime Minister's Speech

The committee says in this report that it welcomes the recent speech by the Prime Minister at Ruskin College, Oxford (see p 444), in which he raised a number of questions about the role of the educational system. Its present report, which is concerned with the purposes of the institutions of advanced scientific education and research, can be regarded, the committee thinks, as a contribution to one important aspect of the debate that will inevitably follow that speech. It considers it essential to re-examine the organisation of science and scientific education in terms of current needs.

Research and Production

Britain is often regarded as a country which is good at research but bad at translating the results of research into production, the committee notes. Not only is Britain's expenditure on research relatively high, but by many conventional indicators of scientific achievement (Nobel prizewinners, export of scientific discoveries and demand for British scientists) Britain is rated as successful. The contrast between Britain's scientific success and currently disappointing industrial performance arises partly, in the committee's view, from the extent to which pure science has been dignified as a profession – or an art – requiring no external justification and with no external aim.

The failure fully to integrate the process of scientific discovery into the process of industrial production is, in the committee's view, a significant contributory factor, though not the sole or even principal cause of Britain's current industrial problems.

The report is concerned with institutional problems derived mainly from the failure of different groups of the community to appreciate the extent of their interdependence. Any improvements which can be made in the attitudes of students, teachers, research workers, industrial managers and Government officials would be of undoubted benefit to Britain as a whole.

The committee does not believe that the British people have 'opted out' of the industrial race and there is certainly no sign that it has opted out of the race to possess the fruits of industrial growth either in the form of personal possessions or of public services. What is required is a concerted attempt to clarify in the public mind the role of the private sector in the fundamental processes of wealth creation.

The committee finds a widespread feeling, particularly among senior industrial management, that the deep-seated problems of industry are closely related to the social and educational role of the universities.

Conclusions

Its broad conclusion is that in order to overcome the widely recognised malaise in the higher education of engineers and technologists a concerted effort must now be made to raise the quality, status and

[1] *Third Report from the Select Committee on Science and Technology. University-Industry Relations.* Session 1975-6. House of Commons. Paper 680. HMSO, £1·15. ISBN 0 10 009216 0.

appeal of scientific and technical studies in schools, in universities, and in society at large. Although the independence of universities is rightly regarded as an essential protection of intellectual liberty, the committee believes that that liberty must not be regarded as a licence to ignore the needs of the society of which the universities are a part.

The committee also makes proposals designed to facilitate the transfer of knowledge from universities to productive industry, to improve the deployment of qualified personnel in industry and to increase the attraction of industrial employment for high calibre scientists and engineers. The committee suggests some measures which the Government should take, including improvement of the pay of qualified industrial personnel and institutional changes involving mainly the National Research Development Corporation[1] and the Science Research Council. The National Research Development Corporation was established in 1949 to promote the development and exploitation of inventions arising from public and private research and the committee suggests that its responsibilities should be redefined and its obligation to break even should be regarded as secondary to its obligation to encourage innovation. The process of innovation in industry is dependent, the committee says, on the availability of private capital. Whatever steps are taken by Government to improve relations between universities and industry, the need to provide incentives for industrial innovation remains.

Civil Aircraft Collaboration

MINISTERIAL MEETING

The following joint press communiqué was issued after the ministerial meeting in London on 2 November to discuss civil aircraft collaboration.

M. Marcel Cavaillé, the French Secretary of State for Transportation, Mr Gerald Kaufman, Minister of State in the Department of Industry, and Mr Stanley Clinton Davis, Parliamentary Under-Secretary of State in the Department of Trade, met on 2 November 1976 in London to review progress of the Concorde *project and to discuss, and to consider further, the possibilities of collaboration on civil aircraft projects* [see p 175].

On Concorde *the ministers noted the very successful entry into service of the aircraft and its wide acceptance; affirmed their determination to complete to schedule the 16 aircraft programme, while maintaining the production facilities in the best possible condition; and looked forward to the opening of further routes, notably to New York, Melbourne and Tokyo.*

Noting the manufacturers' decision to undertake a joint promotional effort, the ministers agreed to take further current work on an active commercial strategy.

It was agreed between Mr Kaufman and M. Cavaillé that as part of the review of the options open to the two countries they will urge their industries in consultation with their officials to pursue as a matter of priority their discussion into the possibility for collaboration over aircraft in the 200 (Airbus *family) and 160 seats* (Advanced Short-Medium Range) *range. The studies should cover among other things, prospective profitability, financing, the sharing of design, development and production work, as well as market prospects. They will invite their industries to seek to conclude their discussions within two months.*

The two ministers, having reviewed the scope for an aircraft of approximately 100 seats, noted that this was a field in which the United Kingdom would appropriately seek the lead in a single collaborative European project and one in which the French Government would be prepared to consider, without commitment, participation as a partner. It was also agreed that this issue would be pursued urgently.

The ministers of France and the United Kingdom discussed the prospects for an advanced supersonic transport for the 1990s in the light of the technological advantage acquired through collaboration on the Concorde *project. They agreed that in principle the co-operation in this area should continue on a basis of mutuality between the two countries. The British Government considered that it should consolidate the knowledge and experience gained on* Concorde. *The French Government agreed and intends to explore, through its manufacturers, the conditions on which this matter should be pursued. The ministers agreed that they would continue to keep in touch on developments in this field.*

[1] For further information see COI fact sheet NST9/75, *The National Research Development Corporation.*

Teletext Transmissions

The Home Secretary has authorised the British Broadcasting Corporation (BBC) and the Independent Broadcasting Authority (IBA) to continue transmissions of their teletext services (see below) until the end of July 1979. The services have so far been transmitted on an experimental basis.

Announcing this development at an annual luncheon of the Cable Television Association of Great Britain, Lord Harris of Greenwich, Minister of State at the Home Office, said that teletext – the BBC's *CEEFAX* and the IBA's *ORACLE* – was an important and imaginative development which had stimulated many parts of the broadcasting industry into new activity.

'The United Kingdom leads the world in developing these services, and our electronics industry is now producing equipment to enable teletext material to be displayed on ordinary television sets, though this is still rather costly.' The minister hoped that the extension of the authority to transmit would encourage industry rapidly to provide equipment which could be put within reach of members of the public at large.

Cable television would now play an important part in the next stage of development of *CEEFAX* and *ORACLE*, Lord Harris continued, and it had been agreed that teletext services would be available in modified form on some of the cable networks. This would help in assessing customer responses. Only time would tell what part relays of teletext services, in decoded and modified form, could play alongside direct reception of the full services over receivers individually equipped with decoders, but the important thing now was to gain as much information as possible about this new type of television broadcasting.

Background

Teletext systems allow the broadcasting of written and simple graphical information (separate from the normal television programmes) to television receivers fitted with special adaptors. Both *CEEFAX* and *ORACLE* allow the viewer to select at will a display of 'pages' of written information upon the television screen. The signals are broadcast along with the normal television signals, and are stored at the receiver to provide an alternative display available by using a selector switch. The technical specifications of the *CEEFAX* and *ORACLE* signals are identical. Thirty or more pages would be available on such subjects as news, weather and sports results.

(Fuller information is available from: (*CEEFAX*) Engineering Information Department, BBC, Broadcasting House, London W1A 1AA; and (*ORACLE*) Engineering Information Department, IBA, Crawley Court, Winchester, Hampshire SO21 2QA.)

SOCIAL AND CULTURAL AFFAIRS

Social Change 1970-75

Some of the main social and economic changes that have taken place in Britain in the early 1970s are examined in a social commentary prepared by the Central Statistical Office as part of the new edition of *Social Trends*.[1] (The bulk of this annual statistical survey is devoted to tables and charts covering a wide range of social and economic affairs; there are also articles on crime and on the quality of life.)

Generally speaking, the commentary observes, the early 1970s seem to have been a period of increasing State intervention in many social and economic areas – including incomes, consumer protection, equal rights for women, the health and social services and environmental protection. At the same time there have been in the social field few changes to correspond with such measures of the late 1960s as, for example, the abolition of the death penalty for murder; new abortion, divorce, homosexuality, gaming and theatre censorship laws; and the lowering of the voting age to 18.

On the economic front the last few years seem to have been overshadowed by two factors: inflation and unemployment. All the main economic indicators – including the rate of change of price levels and money earnings, unemployment, the balance of payments, the external value of the pound sterling, stock market prices and money supply – have had exceptionally large fluctuations.

A number of points from the commentary are set out below.

Population

The United Kingdom population grew by a little over 500,000 between 1970 and 1976, almost all the growth taking place before 1974. A marked feature was the continued fall in the birthrate: fewer babies were born in 1975 than in any year since the 1930s. Two changes in child-bearing patterns had major effects on the number of births: a delay in the birth of the first child until later in marriage and a subsequent decrease in the number of families with a third or fourth child. During the period the number of deaths remained constant.

Changes also took place in the structure of the population by region, age group and ethnic group. The major urban areas showed substantial population falls – for example, in Greater London the population fell by over half a million between 1970 and 1975.

In contrast to the falling birthrate, the elderly population increased substantially: the number of people over minimum retirement age (65 for men and 60 for women) rose by 9 per cent from 8,912,000 to 9,518,000. There was a 17 per cent increase in the number of people aged 85 and over.

The percentage of people of New Commonwealth[1] and Pakistani ethnic origin in Great Britain (England, Scotland and Wales) rose from 2·6 to 3·3 per cent; migration accounted for almost half this rise, and natural increase for the remainder.

Education

Education expanded in the period although at a slower pace than in the 1960s. An expansion plan announced in 1972 had to be reduced in 1975 because of the economic situation, revised estimates of the school population, and a less rapid increase than expected in participation in higher education.

Provision for nursery education increased substantially – the proportion of the 2 to 4 age group attending school rose from 12·4 per cent in 1970 to 20·8 per cent in 1975.

Owing to the birthrate pattern, the numbers of primary school children aged 5 to 11 or 12 reached a peak in 1973 (Scotland) and 1974 (England and Wales) and then fell; this decline in the number of primary school pupils is expected to continue for some years. Conversely the secondary school population (over the age of 11 or 12) continued to rise because of the higher birthrates of the late 1950s and 1960s. The secondary school population was also increased by the raising of the school-leaving age from 15 to 16 in 1972-73.

The average primary school pupil/teacher ratio in Great Britain fell from 27·7 in 1970 to 24·9 in 1974 and that for secondary schools from 17·7 to 17·3.

The proportion of pupils proceeding to full-time post-school education remained constant at about 20 per cent. Many young people continued part-time education in technical subjects.

The pattern of courses in higher education has begun to change. Student admissions to teacher training colleges, for instance, have fallen from the peaks reached in 1971 (Scotland) and 1972 (England and Wales) because of the falling number of children in primary schools. Although some colleges are being closed or amalgamated with

[1] *Social Trends No.* 7. HMSO £6·90. ISBN 0 11 630156 2.

[1] Other Commonwealth countries excluding Canada, Australia, and New Zealand.

other institutions, some have introduced courses leading to a non-teaching qualification and the new two-year Diploma in Higher Education is being developed.

Growth in the number of university students in the United Kingdom (from 242,500 in 1971-72 to 257,700 in 1974-75) continued but not at as fast a rate as in the 1960s. Women increased their share of places from 28 to 33 per cent. There was also a marked rise in the non-university degree courses validated by the Council for National Academic Awards and taken by students in polytechnics and other further education establishments – in 1975 these degrees accounted for 14 per cent of all first degree graduates. The Open University started its courses in 1971 and by 1975 some 50,000 students were following its courses.

Health

The commentary says that death rates still provide the most useful indicators of the health of a country. In 1970-74 the general level of mortality in Great Britain continued to decline at the same rate as the previous 20 years. There was also a slight increase in expectation of life. Infant mortality dropped by 10 per cent and childhood mortality by slightly less.

One of the main trends in health care is that family doctors are increasingly working as members of co-ordinated health care teams; by 1974 some 65 per cent were in group practices compared with 56 per cent in 1970. About a sixth were practising from local health centres, the number of which increased from over 200 in Great Britain in 1970 to nearly 800 in 1975.

Largely as a result of Government policies for the care of the mentally ill, the number of beds available within the hospital service as a whole has been declining. (Care for the mentally ill is being concentrated wherever possible on psychiatric units of general hospitals, day units, out-patient departments and community homes and hostels, rather than in the traditionally large long-stay institutions.) Despite the overall fall in the number of beds – 30,000 fewer in 1974 than in 1970 – certain hospital departments expanded, and the number of beds available for some specialties, such as traumatic and orthopaedic surgery, increased.

Average duration of stay in hospital continued to fall in all specialties.

Personal Social Services

Personal social services are provided by local authority social services departments and voluntary organisations, and are directed towards many groups in need, particularly children, disabled people and elderly people.

Considerable expansion took place in part-time and full-time day care for children under the age of five. This type of care is usually provided in nurseries and play groups or by registered child minders. The maximum number of children helped rose from some 300,000 in England and Wales (1969) to nearly half a million in March 1975 but there were signs of the growth levelling out.

The Chronically Sick and Disabled Persons Act 1970 gave considerable impetus to services for disabled people. Under the Act local authorities are obliged to discover the number of disabled people in their districts, and are empowered to provide aids or adaptations to their homes. Since 1972-73 the number of households receiving such assistance in England and Wales increased from about 150,000 to 247,000 in 1974-75.

Higher demands have been placed on the social services as a result of the increased number of elderly people, especially those aged 85 and over. The number of meals served to elderly people (often in their own homes) in England and Wales rose by more than 60 per cent between 1970 and 1975 (measured in rates per 1,000 population aged 65 and over). In addition there was an increase of about 30 per cent in the proportion receiving the aid of home helps – in 1975 more than 8 per cent of the population aged 65 and over received this help; in Scotland the percentage helped rose by 15 per cent a year between 1970 and 1974. In contrast the amount of residential accommodation for old people aged 65 and over remained much the same as in 1970.

Housing

The absolute national housing shortage was ended in the period from 1970, even though the state of housing still fell short of requirements in certain urban areas. Between 1970 and 1975 the total net gain in the United Kingdom housing stock was 1,132,000. Some 714,000 houses were built by the public sector and 885,000 by the private sector.

The proportion of owner-occupied houses in the United Kingdom rose from 49 per cent in 1970 to 53 per cent in 1975.

One of the main housing policies was improvement of older housing with a general switch of emphasis from major redevelopment schemes to rehabilitation of existing properties.

Employment

The working population in Great Britain increased from 24·7 million in 1970 to 25·2 million in 1975. The number in manufacturing industry fell from 37·1 to 33 per cent of all employees. The rise in output per head in the production industries was over 9 per cent.

The structure of the labour force was influenced by three factors: changes in the flow from full-time education to employment, the increased proportion of wives in paid employment, and a rise in the number of part-time employees. As a consequence of the raising of the school-leaving age in 1972-73 and the increased numbers continuing full-time post-school education, there was a rise in the average age of first entry to employment and an increase in the proportion of new entrants with formal educational qualifications.

Increased numbers of married women continued in paid employment, a high proportion working until the arrival of their first child; many return to work when their children are still quite young. Smaller family size has given women more opportunities to go out to work. Attitudes towards the employment of women have changed and career opportunities have improved, partly because of increased scope for employment in the service industries. (The Equal Pay Act 1970 and the Sex Discrimination Act 1975 both came into operation in December 1975.)

Unemployment, although higher than earlier in the post-war period, was not unusually high compared with other Western industrial countries.

Holidays

Some 80 per cent of manual workers were entitled to three or more weeks paid holiday in 1975 compared with only about 3 per cent in 1970. The number of people taking holidays away from home rose from 40,250,000 in 1970 to 48,750,000 in 1973; there was a slight fall in 1974 because of rises in travel costs caused by the oil price rises.

Industrial Training

Most Government-sponsored industrial training is effected through industry training boards financed by levies on employers. In 1974 about 2 million people received industrial training, mostly under the aegis of these boards. There is also a separate system of training, concentrating mainly on retraining programmes, to meet the excess demand for certain skills. About 10,000 a year were trained in the late 1960s but in 1975, after the scheme had been reorganised as the Training Opportunities Scheme under the auspices of the statutory Training Services Agency, the number of trainees increased to 68,000. (This is in accordance with the Government's policy of helping to provide trained manpower to sustain the growth of the economy. See pp 226-31, 1974.)

Disputes

The number of working days lost through strikes in 1975 was the lowest since 1968 and this improved trend persisted into 1976. Days lost in 1971-45 were more than in 1966-70. (Nevertheless recent figures published by the Department of Employment show that in each year of the period 1971-73 – chosen for special study as years when the numbers of strikes were relatively high – some 98 per cent of manufacturing plants were free of strikes and eight workers out of ten worked in strike-free plants.)

Income and Wealth

For the first time in many years, there was a significant change in the distribution of earnings, the differentials between the highest and lowest paid being narrowed. (For further information on the distribution of income and wealth, see p 472.) Although the proportion of average earnings taken in tax increased, gross earnings rose sufficiently for take-home pay to be higher in 1975 than in 1970 even when inflation is taken into account.

Median[1] earnings of manual workers increased faster than those of non-manual workers. Women's median earnings, although lower than men's, increased at a faster percentage rate, partly in anticipation of the implementation in 1975 of the Equal Pay Act 1970.

Disposable income (gross income plus social security or cash benefits minus direct taxes and social security contributions) of all households rose by 97 per cent in 1970-75 compared with an 84 per cent retail price rise; the average increase in disposable income for households containing two adults and two children was 99 per cent and for single retired person households, 117 per cent.

[1] See footnote 1, p 474

Direct and indirect taxes accounted for 36 per cent of gross household incomes in 1975, the same as in 1970. Direct taxation took 20 per cent of gross household incomes in 1975 compared with 16 per cent in 1970. Indirect taxation took 16 per cent in 1975 and 20 per cent in 1970.

The commentary adds that there was a continuing slow trend tc wards greater equality in the distribution of personal wealth.

Education

Some recent developments in education are summarised below. (A report on relations between universities and industry is described on p 477.)

REVISED STUDENT TUITION FEES

Revised increases in tuition fees for home and overseas students for the academic year 1977-78 were announced in the House of Commons on 25 November by Mrs Shirley Williams, Secretary of State for Education and Science (*Hansard*, cols 187-90). The proposed new fees supersede those announced in July (see p 339), and reflect advice received from the University Grants Committee, local authority associations and other bodies, and the requirements of the present economic situation. The Secretary of St e's announcement is in the form of a recommendation as universities and local education authorities are free to determine the fees they charge.

Average tuition fees for home students on full-time undergraduate and other advanced courses will be £500 a year. Fees for overseas students on such courses will be £650 a year, as proposed in July. Mrs Williams said that she was disappointed not to be able to eliminate the fee differential between home and overseas students at this level, but pointed out that the new fees would reduce that differential from about £250 to £150. Tuition fees for full-time home postgraduate students will be £750 a year, and those for overseas students £850 a year – again narrowing the present differential. In the case of non-advanced full-time further education courses, the Secretary of State endorsed local authority associations' proposals to increase tuition fees for home students by about 40 per cent (average fees for 1976-77 are £104 a year). She recommended that fees for overseas students on such courses should be similarly increased from the present £260 to £360 (rather than to £325 as suggested in July).

On the question of the proposed limitation on the total number of overseas students in Britain (see p 339), Mrs Williams indicated that their number had risen from 31,000 in 1967-68 to 80,000 in the current year and that any such limitation could not be fully achieved within 12 months without severe disruption. She intended to continue consultation with the University Grants Committee and local authority associations in order to ensure that

limitations began in 1977 and were completed as soon as possible.

EDUCATION ACT

The main purpose of the Education Act 1976, which received the Royal Assent on 22 November, is to enable more rapid progress to be made towards the completion of comprehensive reorganisation of secondary education in England and Wales (for coverage of the second reading of the Education Bill, see pp 87-8).

The Act requires all local education authorities to have regard to the 'comprehensive principle' that secondary education should be provided only in schools which admit children without reference to ability or aptitude. It empowers the Secretary of State for Education and Science to require authorities to submit proposals for the reorganisation of secondary schools in their areas along comprehensive lines. If approved, the proposals must then be implemented. If, however, they are unacceptable, the Secretary of State may call for further proposals which fulfil specified conditions. Special education for the physically and mentally handicapped, and schools which specialise in music or dancing are excluded from these provisions.

By January 1976 there were nearly 3 million pupils in about 3,400 comprehensive schools in England and Wales, representing some 76 per cent of the secondary school population. Of the 105 local education authorities, 46 provided wholly comprehensive education, 58 were partially reorganised and one had no comprehensive schools at all. The Secretary of State has written to eight authorities requiring them under the new Act to submit proposals for reorganisation.

Miscellaneous provisions of the Act enable local education authorities to charge less than the economic cost for school milk, and to extend mandatory student awards to cover courses for the higher diplomas of the Technician Education Council (see p 193, 1973) and the Business Education Council (see p 93, 1974). These courses will eventually replace the existing Higher National Diploma (HND) courses.

GOVERNMENT VIEWS ON EDUCATION ADMINISTRATION

The Secretary of State for Education and Science should encourage and participate in educational development without seeking to control it, according to the Government's comments[1] on a House of Commons Expenditure Committee report.[2] The Government agrees with the committee's view that Her Majesty's Inspectors of schools have a key part to play in this process, and indicates areas where a great deal is already being done – for example, annual surveys of primary and secondary schools, annual appraisals of work in major elements of the curriculum, and the promotion of vocationally relevant education in the later years of the secondary school. Attention is also drawn to the work of the Assessment of Performance Unit (see p 76, 1975) which is responsible for developing methods of monitoring standards in schools, and is working – in particular – on the assessment of performance in mathematics and English language.

Commenting on the committee's recommendation that there should be greater consultation and participation in the educational planning process, the Government points to recently published planning and discussion papers (see p 339 and below) and says that it will continue to publish such material. It wholly shares the committee's wish for a much wider debate among educational interests and the general public on long-range educational policy planning.

AGENDA FOR DISCUSSION ON SCHOOLS

The main educational issues which need to be considered in order to carry forward the debate on school education initiated by the Prime Minister, Mr James Callaghan, in October (see p 444) are identified in an agenda for discussion prepared by the Department of Education and Science.[1]

In order to focus attention on the main issues, the discussion paper is divided into four sections dealing with the curriculum, monitoring and assessment, teacher training, and the relationship between school and working life. It is intended as a guide for consultations which the Secretary of State for Education and Science is conducting with teachers, local authorities, industry and business and certain other bodies. The purpose of these discussions is to help in the preparation of a consultative document, to be published early in 1977, which will be widely circulated in order to further the present debate on education.

ADULT LITERACY CAMPAIGN

The work of local authorities and voluntary bodies in tackling the problem of adult illiteracy is detailed in the report on the first year's operation of the Adult Literacy Resource Agency (see p 493, 1974).[2]

Over 55,000 adult illiterates in England, Wales and Scotland were being taught to read and write in February 1976, according to the report, compared with less than 10,000 a year earlier. (Present estimates indicate that about 100,000 people are now receiving literacy tuition.) Tuition was being given by specially appointed tutors and some 45,000 volunteer teachers. This rapid increase in provision has been largely stimulated by the agency, which acts as a national focus of activities and in 1975-76 disbursed a £1 million Government grant to help the efforts of local authorities and relevant voluntary organisations. For the period 1976-78 the Government is providing a further £2 million for provision in England and Wales, and a separate Scottish Adult Literacy Agency has been

1 *The Government's Reply to the Tenth Report from the Expenditure Committee, Session 1975-76.* Cmnd 6678. HMSO, 25p. ISBN 0 10 166780 9.

2 *Tenth Report from the Expenditure Committee, Session 1975-76: Policy Making in the Department of Education and Science.* HMSO, £0·85. ISBN 0 10 262176 4.

1 *Schools in England and Wales. Current Issues: An Annotated Agenda for Discussion.* Prepared by the Department of Education and Science, Elizabeth House, York Road, London SE1 7PH.

2 *Adult Literacy: Progress in 1975-76.* HMSO, 95p. ISBN 0 11 270379 8.

established with funds of at least £200,000. An important element in the campaign has also been the work of the British Broadcasting Corporation which broadcasts a special weekly television programme providing publicity and some tuition.

In a foreword to the report, Mrs Shirley Williams, Secretary of State for Education and Science, says that it provides a valuable record of a significant and encouraging educational development. An awareness of problems of adult illiteracy is not new, but only in the last few years, she adds, has the educational world appreciated the scale of the problem and resolved to take remedial action. For the future, it will be important to build on these foundations and integrate adult literacy tuition, as long as it is needed, into local provision for adult education.

EUROPEAN UNIVERSITY INSTITUTE

The first 70 students, including 11 from Britain, have started work at the European University Institute in Florence, which was officially opened on 15 November.

The institute was established by a convention signed by the nine members of the European Community. It is financed by an annual budget provided by these countries, and Britain's share is slightly over 21 per cent of the total. The institute aims to contribute to the cultural and scientific heritage of Europe, and to study the development of European countries and institutions, both in relation to each other and to other parts of the world.

Students are required to have a good honours degree, or its equivalent, together with a working knowledge of at least two of the official languages of the institute (Danish, Dutch, English, French, German and Italian). They spend one or two years at the institute as part of their research studies elsewhere. The total number of students is expected to increase over the next six years or so to about 300, and the teaching staff is expected to number between 35 and 50.

DOCUMENTATION

(Documentation excludes publications referred to in Survey articles)

Government and Administration

Honours and Titles in Britain. COI, R5456.

Guide to Official Statistics. A detailed guide to statistics available from all official and important non-official publications. Prepared by the Central Statistical Office in collaboration with Government departments. No 1 1976. HMSO, £7·50. ISBN 0 11 630132 5.

Report of the Committee of Privy Counsellors on Cabinet Document Security. The committee, under the chairmanship of Lord Houghton of Sowerby, was set up in July 1976 (see p 300) to see whether procedures for handling Cabinet documents were adequate to protect their confidentiality. While considering that standards of security are not generally low, the committee recommends among other things that Cabinet documents should be circulated only to those who need to see them, and that Cabinet Document Officers should be appointed in each department, with responsibility for the security and circulation of Cabinet documents. Cmnd 6677. HMSO, 35p. ISBN 0 10 166770 1.

Third Report from the Select Committee on Direct Elections to the European Assembly. HMSO, 85p. ISBN 0 10 009366 3.

Digest of Welsh Statistics, No 22, 1976, HMSO Cardiff, £3·90. ISBN 0 11 790074 5.

Northern Ireland: Reports of the Chief Electoral Officers, 1972-73, 1973-74 and 1974-75. Belfast HMSO, 50p. ISBN 0 10 008676 4.

Ulster Year Book 1976. Belfast HMSO, £2·50. ISBN 0 337 01026 9.

Council on Tribunals: Annual Report for 1974-75. HMSO, 75p. ISBN 0 10 008916 X.

External Affairs and Defence

Trinidad and Tobago Republic Act 1976. HMSO, 8p. ISBN 0 10 545476 1.

British Virgin Islands: Report for the year 1975. HMSO, £1·15. ISBN 0 11 580188 X.

Economic and Scientific Affairs

British Overseas Trade Board. Report 1976. Available from the board at 1 Victoria Street, London SW1H 0ET.

Convention on International Trade in Endangered Species of Wild Fauna and Flora. Washington, 3 March 1973 (see p 387, 1975). The United Kingdom instrument of ratification was deposited on 2.8.76 and the convention entered into force for the United Kingdom on 31.10.76. Cmnd 6647. HMSO, 55p. ISBN 0 10 166470 2.

International Trade 1975-76. General Agreement on Tariffs and Trade. Available through HMSO. £7·56. ISBN 0 11 982397 7.

Export Credits Guarantee Department. Trading Results 1975-76. The results show that the value of exports insured rose by 28 per cent from £6,535 million in 1974-75 to £8,391 million in 1975-76. Some 77 per cent of this business related to exports sold on short terms of payment (up to 180 days). Available from the department at Aldermanbury House, Aldermanbury, London EC2P 2EL.

Towards a Comprehensive Manpower Policy. Manpower Services Commission (MSC). This document sets out, from the point of view of the MSC, the first steps towards the development of a comprehensive manpower policy for Great Britain. It includes an examination of the current problems of the labour market and how they are likely to develop over the next few years; sets these in relation to the programmes of the MSC and its agencies (see pp 226-31, 440-3, 1974); and makes proposals for action and the means by which appropriate results might be achieved. Available from the MSC at Selkirk House, 166 High Holborn, London WC1V 6PF.

Dock Work Regulation Act 1976. The Act, which received the Royal Assent on 23 November, incorporates a number of amendments made by both Houses of Parliament since the debate on the second reading (see pp 123-5). The main amendment since the publication of the Bill provides for the substitution of 'definable dock area' for 'cargo-handling zone'; such an area comprises any place in Great Britain which is within half a mile (in a direct line)

of a harbour to which the Act applies or of the nearest harbour land adjacent to such a harbour.

Health and Safety. Mines and Quarries 1975. Health and Safety Executive (HSE). This is the first report on health and safety in mines and quarries since HM Inspectorate of Mines and Quarries became an integral part of the HSE (see p 82, 1975). HMSO, £1·75. ISBN 0 11 881107 X.

Consumer Advice Grants. The Secretary of State for Prices and Consumer Protection, Mr Roy Hattersley, said in Parliament on 22 November [*Hansard*, written answers, cols 955-6] that the Government would make available grants to maintain the coverage of consumer advice centres and price survey schemes in Great Britain at the 31 March 1977 level (see p 360, 1975). The grants would be available to local authorities and other organisations for one year from 1 April 1977. Department of Prices and Consumer Protection press notice, No 403.

Monopolies and Mergers Commission. Frozen Foodstuffs. The commission's report on the supply in Britain of frozen foodstuffs says that a monopoly situation exists in that Unilever Ltd supplies at least one-quarter of all the goods under study, mainly through its Birds Eye subsidiary. The Minister of State for Prices and Consumer Protection, Mr John Fraser, said in Parliament on 10 November [*Hansard*, written answers, cols 165-6] that the Director General of Fair Trading was to discuss with Birds Eye and other important suppliers a number of points raised by the commission. House of Commons Paper 674. HMSO, £1·50. ISBN 0 10 008886 4.

National Economic Development Office – A Study of UK Nationalised Industries. Their role in the economy and control in the future. HMSO. Main report £1·50. ISBN 0 11 700844 3. Appendix. £3·50. ISBN 0 11 700845 1.

The Industrial Areas. COI, FSB/D4.

Advertising and Public Relations in Britain. COI, R6016.

Improving the Performance of Plastics Processors. A one-year project aimed at increasing the efficiency of plastics processing companies is to be launched in the south Wales area. The experience gained from the project, which will be financed by the Department of Industry, will be used to help develop a national strategy for improving the general performance and technical competence of the plastics processing industry. Department of Industry press notice, 22.11.76.

British Industry Today – Electronics. COI, R6013.

Electronics. COI, FSI/11.

ICL Wins European Community computer contract. International Computers Ltd (ICL) has been appointed main contractor for the new £7 million computer system for the European Community announced on 22 October. The central component will be an ICL *2980* system and ICL's share of the total will be £4 million. The three main areas of application will be statistical, administrative and information retrieval. For the latter the STATUS information retrieval package, first developed by the UK Atomic Energy Authority, will be used. ICL press notice, 25.10.76.

Clothing Industry Inquiry. A Bank of England inquiry into the structure of the clothing industry with particular reference to its financial resources was announced on 15 November. The inquiry will be conducted by Mr J. P. Koppel, recently retired as deputy chairman of Courtaulds Ltd. Bank of England press notice, 25.11.76.

Wool Textile Industry Scheme. A £5 million scheme to help the wool textile industry was announced on 29 November by the Minister of State for Industry, Mr Alan Williams, speaking at Bradford. He said it was hoped that the money would encourage structural change in the industry in terms of mergers and nationalisation. Department of Industry press notice, No 324, 29.11.76.

Statistical Inquiry into the Catering Trades. A detailed statistical inquiry into the catering trades in Great Britain in 1977 will be carried out in 1978 by the Business Statistics Office on behalf of the Department of Trade and other Government departments. This will be the first such inquiry since 1969. It is hoped that provisional results will be available by the end of 1978. Department of Trade press notice, 19.11.76.

Report on the Change from Calorie to Joule. In this report the Food Standards Committee (a body which advises ministers on the exercise of their powers under the Food and Drugs Acts) recommends changing from the calorie to the joule as the unit of measurement for making statutory declarations on food labels and in advertisements. Obtainable free from Food Standards Division, Ministry of Agriculture, Fisheries and Food, Room 471, Great Westminster House, Horseferry Road, London SW1P 2AE.

Sea Fisheries Statistical Tables 1975. HMSO, £1·25. ISBN 0 11 241075 8.

Advisory Council on Energy Conservation, Paper 4: Industry Group Report Session 1975-76. Energy Paper No 15. Department of Energy. HMSO, £1·20. ISBN 0 11 410293 7.

Continental Shelf Act 1964: Report for Year 1975-76. HMSO, £1. ISBN 0 10 264076 9.

Northern Ireland Electricity Service. Annual report and accounts for the year to 31 March 1976. Available free from NIES, Danesfort, 120 Malone Road, Belfast BT9 5HT.

National Water Council. Annual report and accounts 1975-76. The council's main conclusion is that, assuming continued economies in the use of water, even if Britain has another dry winter followed by a dry summer comparable to that of 1976, there

should be sufficient water supplies available in 1977 to maintain industrial production and employment and to meet domestic requirements generally. Sold but not published by HMSO, £1·50. ISBN 0 904561 15 1.

Temporary Speed Limits. The Secretary of State for Transport has extended the temporary speed limits imposed in December 1974 on roads other than motorways – 60 mph (97 km/h) and 50 mph (80 km/h) on dual and single carriageway roads respectively where no lower limit applies – for six months from 1 December. The Government is reviewing the limits and a consultative letter has been sent to representative organisations inviting comments by 31 January to enable the Government to assess their views before reaching a decision in the spring of 1977. *Hansard*, 10.11.76, written answers, col 164.

Railway Electrification. The Secretary of State for Transport has approved British Rail's £80 million electrification scheme for the route from London to Bedford. Work should be completed by 1982. It is part of British Rail's investment scheme to renew and improve London's suburban railway services and is similar to the scheme for the electrification of suburban services from London to Hertfordshire, the first stage of which was implemented in November 1976. Department of Transport press notice, 8.11.76.

British Airways Board: Fourth Report on Organisation. Contains British Airways' proposals for reorganising its structure which will involve the grouping of airline operations under a number of departments and the end of the three operating divisions – Overseas, European and Regional. Consent for the changes has been given by the Secretary of State for Trade (*Hansard*, 18.11.76, written answers, col 704) and they will take effect on 1 January 1977. HMSO, 25p. ISBN 0 10 009316 7.

Post Office Users' National Council. Report on the exercise and performance of its functions for the accounting year ended 31 March 1976. HMSO, 45p. ISBN 0 10 009006 0.

Cable and Wireless Ltd. Annual report and accounts for the year ended 31 March 1976. HMSO, 55p. ISBN 0 11 511413 0.

Research, Wales. Third report 1975-76. Welsh Office. HMSO Cardiff, 95p. ISBN 0 11 790084 2.

Genetic Manipulation Advisory Group. Sir Gordon Wolstenholme, Director and Secretary of the Trustees of the CIBA Foundation, London, and President of the Royal Society of Medicine, is to be first chairman of the Genetic Manipulation Advisory Group, which will be responsible for examining proposals from laboratories, for assessing hazards involved and for advising on appropriate precautions for experiments involving genetic manipulation of organisms following the report of the Working Party (see p 365). Department of Education and Science press notice, 2.11.76, and *Hansard*, 2.11.76, written answers, col 544.

Radiological Protection Standards in the United Kingdom. This publication of the British National Radiological Protection Board (NRPB) sets out the scientific basis of Britain's – and most of the world's – radiological protection standards and describes the organisations, national and international, involved in radiological protection. NRPB-R46. HMSO, 50p. ISBN 0 85951 044 1.

Lead Content of Petrol. The Government has issued regulations under the Control of Pollution Act 1974 to bring down the maximum permitted lead content of petrol to 0·50 grams per litre from 30 November 1976 and to 0·45 grams per litre from 1 January 1978. Department of Transport press notice No 85, 9.11.76.

Social and Cultural Affairs

Mortality Statistics: Accidents and Violence. A review of the Registrar General on deaths attributed to accidental and violent causes in England and Wales in 1974. Office of Population Censuses and Surveys. HMSO, 95p. ISBN 0 11 690555 7.

Criminal Statistics, Scotland, 1975. Scottish Home and Health Department. Cmnd 6631. HMSO, £1·35. ISBN 0 10 166310 2.

Criminal Injuries Compensation Board. Twelfth annual report and accounts for April 1975 to March 1976. Cmnd 6656. HMSO, 50p. ISBN 0 10 166560 1.

Statistics of Education, England and Wales 1974, Volume 3, Further Education. HMSO, £3·75. ISBN 0 11 270434 4.

Scottish Educational Statistics 1974. HMSO, £5·15. ISBN 0 11 491399 4.

Undergraduate Income and Spending. A provisional summary of the main findings of a survey of undergraduate student income and expenditure conducted by the Office of Population Censuses and Surveys in 1974-75. Copies of the report are available from the Department of Education and Science, Room 1/27, Elizabeth House, York Road, London SE1 7PH.

Inner Area Studies. Four further reports have been published. *Lambeth:* Multi-service Project (40p). *Birmingham:* Industrial Employment and Property Availablity (£1·10); The Management of Urban Renewal (£1); and Housing Policies for the Inner City (£2). Available from the Department of the Environment, Room P2/127, 2 Marsham Street, London SW1P 3EB.

Sports Council, Annual Report 1975-76. Available from the Sports Council, 70 Brompton Road, London SW3 1EX. 30p.

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